



PRESS METAL BERHAD

(Company No.: 153208W)
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Selangor Darul Ehsan, Malaysia.
Tel. : 603-391-3188. Fax. : 603-391-3637.

Notes

for the Financial Year Ended 31 December 2000 (Continued)
Notes to the Quarterly Report on the Consolidated Results
for the Financial Year Ended 31 December 2000

The figures have not been audited.

- 1. Accounting Policies and Methods of Computation**
The accounting policies and methods of computation in the quarterly financial statements are consistent with the most recent annual financial statements.

- 2. Exceptional Items**
There were no exceptional items during the financial year under review.

- 3. Extraordinary Items**
There were no extraordinary items during the financial year under review.

- 4. Taxation**
Included in the provision of taxation is the amount transfer to deferred taxation of RM1,085,000.

- 5. Pre-acquisition Profits**
There were no pre-acquisition profits included in the current financial year.

- 6. Sale of Investments/Properties**
There was no sale of investments or properties during the financial year under review.

- 7. Purchases or Disposals of Quoted Securities**
There were no purchases or disposals of any quoted securities during the financial year under review.

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8. Changes in the Composition of the Company

Since the last audited accounts for the year ended 31 December 1999, the following are the changes in the composition to the Group:

- i) On 15 January 2000, PMB Facade Technology Sdn Bhd (PMB Fac), a 51 % owned subsidiary of the Company, acquired a total of 60 ordinary shares of HK\$1.00 (equivalent to RM0.48) each representing 60% of the total issued and paid up share capital of Unison International (H.K.) Limited for a total cash consideration of HK\$60.00 (equivalent to approximately RM29.00);
- ii) On 11 February 2000, PMB Fac acquired a total of 7,000 ordinary shares of HK\$1.00 (equivalent to RM0.48) each representing 70% of the total issued and paid up share capital of PMB-Cyberwall Limited for a total cash consideration of HK\$7,000.00 (equivalent to approximately RM3, 382.00).
- iii) On 13 June 2000, Everlast Aluminium (M) Sdn Bhd ('Ever'), a subsidiary of the Company, acquired a total of 80 ordinary shares of RM 1.00 each representing 80% of the issued share capital of Everlast Marketing Sdn Bhd.
- iv) On 18 October 2000, PMB Fac subscribed for a total of 25,500 ordinary shares of TK100.00 (equivalent to RM6.67) each representing 51% of the total issued and paid up share capital of KAI-PMB Façade Technology Limited (a company incorporated in Bangladesh) for a total cash consideration of TK2,550,000.00 (equivalent to approximately RM170,000.00).

9. Status of Corporate Proposals Announced

On 29 February 2000, the company announced the following corporate proposal:

- i) A proposed bonus issue of up to 42,877,278 new ordinary shares of RM 1.00 each in the Press Metal Berhad ("PMB or the Company") to be credited as fully paid-up on the basis of one (1) new PMB Share for every two (2) existing PMB Shares held;
- ii) A proposed rights issue of up to 85,754,554 new PMB Shares of RM1.00 each on the basis of one (1) new PMB Shares for each existing PMB Shares held;
- iii) A proposed employees' share option scheme to eligible employees and the Executive Directors of PMB and its subsidiary companies, collectively referred to as the "Proposals".

The proposal had approved by the shareholders at the Extraordinary General Meeting (EGM) on Wednesday, 21 June 2000 and by the Securities Commission

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on 5 September 2000.

10. Seasonality or Cyclicity of Operations

Our operations are not subject to seasonal or cyclical factors.

11. Debt and Equity Securities

On 21 December 2000, the Company had redeemed at par the RM28,000,000 nominal value of 3.5% Redeemable Bank Guaranteed Unsecured Bond 1995/2000 to the registered holders.

Other than as mentioned above, there is no issuance and repayment of debt and equity securities, shares buy back, share cancellations, share held as treasury shares and resale of treasury shares for the financial year under review.

12. Group Borrowings as at 31 December 2000:-

	<u>Secured</u> (RM'000)	<u>Unsecured</u> (RM'000)	<u>Total</u> (RM'000)
Short term	4,228	121,669	125,897
Long term	12,228	2,016	14,244
Total	<u>16,456</u>	<u>123,685</u>	<u>140,141</u>

13. Contingent Liabilities

There were no contingent liabilities as at the date of this quarterly report.

14. Financial Instruments With Off Balance Sheet Risk

There were no financial instruments with off balance sheet risk as at the date of this quarterly report.

15. Material Litigation

There was no material litigation pending as at the date of this quarterly report.

16. Segmental Reporting

The table below sets out information for each of the Group's industry segments:

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Sector	Turnover (RM'000)	Profit	Total Assets (RM'000)
		Before Taxation (RM'000)	
Manufacturing	303,661	21,249	304,272
Property Development	5,497	(564)	31,137
Total	<u>309,158</u>	<u>20,685</u>	<u>335,409</u>

17. Material Changes in Profit Before Taxation

For the current financial quarter, PMB Group recorded a pre-tax profit of RM3.9 million as compared to RM6.8 million in the preceding quarter. The reduction in profit was mainly due to the loss incurred by waste recycling business and decreased in PMB Fac's profit for this financial quarter.

18. Review of Performance

The PMB Group achieved a turnover of RM309.2 million and pre-tax profit of RM20.7 million for the financial year under review compared with RM239.8 million and RM13.3 million respectively recorded in the last financial year. The significant improvement of the Group financial results are mainly contributed by:

PMB Fac group, the curtain wall and cladding specialist, had secured various prestigious projects overseas, mainly in Hong Kong and some in Bangladesh. These projects had resulted in the company's turnover increasing from RM12.8 million for last financial year to RM49.5 million for current financial year. The company's pre-tax profit increased from RM2.6 million for last financial year to RM6.7 million for the financial year under review.

Ever group, the marketing company of building materials and manufacturer of ladder, has reported a better results of RM4.4 million for current financial year compared to RM2.2 million for the last financial year. These are due to the introduction of new products and also the opening of new outlets in strategic locations.

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19. Prospects

In view of anticipated slowing down in the global economy, the Board is cautious about the business environment going forward. However, the Company will endeavour to sustain good results for the ensuing year.

20. Variance of Actual Profit from Forecast Profit

There were no significant variances for the financial year.

21. Dividends

During the financial year, the Company paid the following dividends:

The final tax exempt dividend in respect of the year ended 31 December 1999 of 1.5% amounting to RM930,233 was paid on 21 July 2000.

An interim dividend for the year ended 31 December 2000 of 1.5% (tax exempt) amounting to RM930,233 was paid on 17 November 2000.

The Directors recommended for shareholders' approval at the forthcoming Annual General Meeting a final dividend of 1.5% (tax exempt) amounting to RM930,233 in respect of the year ended 31 December 2000 to be paid on a date to be determined later.