

PRESS METAL BERHAD*(Company No.153208-W)***CONDENSED CONSOLIDATED INCOME STATEMENT**

For the period ended 31 March 2017

	<i>Note</i>	1st Quarter 3 months ended		Period-to-date 3 months ended	
		31.03.2017 RM'000	31.03.2016 RM'000	31.03.2017 RM'000	31.03.2016 RM'000
Revenue		<u>2,021,575</u>	<u>1,289,985</u>	<u>2,021,575</u>	<u>1,289,985</u>
Operating expenses		(1,671,724)	(1,188,741)	(1,671,724)	(1,188,741)
Other operating (expenses)/income		<u>(105,632)</u>	<u>59,920</u>	<u>(105,632)</u>	<u>59,920</u>
Profit from operations		244,219	161,164	244,219	161,164
Finance costs		(45,313)	(24,462)	(45,313)	(24,462)
Share of profit from associate		<u>424</u>	<u>535</u>	<u>424</u>	<u>535</u>
Profit before tax		199,330	137,237	199,330	137,237
Taxation	<i>B5</i>	<u>(14,168)</u>	<u>(14,055)</u>	<u>(14,168)</u>	<u>(14,055)</u>
Profit for the period		<u>185,162</u>	<u>123,182</u>	<u>185,162</u>	<u>123,182</u>
Attributable to :					
Equity holders of the parent		148,049	94,558	148,049	94,558
Non-controlling interest		<u>37,113</u>	<u>28,624</u>	<u>37,113</u>	<u>28,624</u>
		<u>185,162</u>	<u>123,182</u>	<u>185,162</u>	<u>123,182</u>
Basic earnings per share (sen)	<i>B11(a)</i>	3.99	7.28	3.99	7.28
Diluted earnings per share (sen)	<i>B11(b)</i>	3.73	6.90	3.73	6.90

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2016.

PRESS METAL BERHAD*(Company No.153208 -W)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the period ended 31 March 2017

	1st Quarter		Period-to-date	
	3 months ended		3 months ended	
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM' 000	RM'000
Profit for the period	185,162	123,182	185,162	123,182
Other comprehensive income, net of tax				
-Foreign currency translation differences for foreign operations	6,099	(26,758)	6,099	(26,758)
-Cash Flow Hedge	(321,540)	217,341	(321,540)	217,341
Total comprehensive income for the period	(130,279)	313,765	(130,279)	313,765
Attributable to :				
Equity holders of the parent	(103,084)	241,673	(103,084)	241,673
Non-controlling interest	(27,195)	72,092	(27,195)	72,092
	(130,279)	313,765	(130,279)	313,765

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2016.

PRESS METAL BERHAD

(Company No: 153208-W)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2017

	<i>Note</i>	As at 31.03.2017 RM'000	As at 31.12.2016 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		5,073,324	5,186,244
Investment properties		8,847	9,797
Goodwill		10,497	10,497
Investment in associate		44,447	44,023
Other investments		1,803	1,803
Deferred tax assets		61,507	67,933
Total non-current assets		<u>5,200,425</u>	<u>5,320,297</u>
Current assets			
Inventories		842,460	1,011,299
Other investments		26,000	26,000
Trade receivables		706,216	796,743
Other receivables, deposits and prepayments		210,434	169,069
Current tax assets		308	749
Deposits, cash and bank balances		405,774	377,679
Total current assets		<u>2,191,192</u>	<u>2,381,539</u>
Total Assets		<u>7,391,617</u>	<u>7,701,836</u>
EQUITY			
Equity attributable to equity holders of the parent			
Share capital		940,781	924,473
Reserves		(428,903)	(173,275)
Retained profit		1,547,497	1,455,096
		<u>2,059,375</u>	<u>2,206,294</u>
Non-controlling interest		<u>482,852</u>	<u>510,048</u>
Total equity		<u>2,542,227</u>	<u>2,716,342</u>
LIABILITIES			
Non-current liabilities			
Hire purchase & finance lease liabilities		2,221	12,660
Long term borrowings	<i>B8</i>	1,667,693	1,767,501
Deferred tax liabilities		149,193	144,501
Total non-current liabilities		<u>1,819,107</u>	<u>1,924,662</u>
Current liabilities			
Trade payables		511,153	817,266
Other payables and accruals		874,891	636,734
Hire purchase & finance lease liabilities		20,160	12,808
Overdraft & short term borrowings	<i>B8</i>	1,622,016	1,589,331
Taxation		2,063	4,693
		<u>3,030,283</u>	<u>3,060,832</u>
Total liabilities		<u>4,849,390</u>	<u>4,985,494</u>
Total equity and liabilities		<u>7,391,617</u>	<u>7,701,836</u>
Net assets per share (RM)		0.55	0.60

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statement for the year ended 31 December 2016.

PRESS METAL BERHAD
(Company No: 153208-W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2017

	Attributable to equity holders of the parent							Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Non-Distributable Translation Reserve RM'000	Warrants Reserve RM'000	Hedging Reserve RM'000	Distributable Retained Profits RM'000	Total RM'000	
At 1 January 2016	649,416	83,816	48,262	34,795	(149,791)	1,272,659	1,939,157	2,367,717
Exchange difference	-	-	(26,758)	-	-	-	(26,758)	(26,758)
Cash Flow Hedge	-	-	-	-	173,873	-	173,873	217,341
Proposed dividend - Fourth interim 2015	-	-	-	-	-	(19,483)	(19,483)	(19,483)
Net profit for the period	-	-	-	-	-	94,558	94,558	123,182
At 31 March 2016	649,416	83,816	21,504	34,795	24,082	1,347,734	2,161,347	2,661,999
At 1 January 2017	924,473	1,889	27,398	29,503	(232,065)	1,455,096	2,206,294	2,716,342
Exchange differences	-	-	6,099	-	-	-	6,099	6,099
Exercise of warrants	13,610	809	-	(2,607)	-	-	11,812	11,812
Transfer in accordance with Section 618(2) of the Companies Act 2016 (Note a)	2,698	(2,698)	-	-	-	-	-	-
Cash Flow Hedge	-	-	-	-	(257,231)	-	(257,231)	(321,540)
Proposed dividend - Fourth interim 2016	-	-	-	-	-	(55,648)	(55,648)	(55,648)
Net profit for the period	-	-	-	-	-	148,049	148,049	185,162
At 31 March 2017	940,781	-	33,497	26,896	(489,296)	1,547,497	2,059,375	2,542,227

Note a

With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM 2,698,000 has been transferred to the share capital account. Pursuant to section 618(3) of the New Act, the Group may exercise its right to use the credit amount being transferred from share premium account within 24 months upon the commencement of the New Act i.e. by 31 January 2019.

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2016.

PRESS METAL BERHAD*(Company No: 153208-W)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the period ended 31 March 2017

	3 months ended	
	31.03.2017	31.03.2016
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	199,330	137,237
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	93,534	55,691
Finance and other income	(472)	(196)
Finance costs	45,313	24,462
Share of profit of equity accounted associate, net of tax	(424)	(535)
Loss on disposal of property, plant and equipment	70	28
Operating profit before changes in working capital	337,351	216,687
Changes in working capital		
Inventories	168,839	138,028
Trade and other receivables	7,024	8,170
Trade and other payables	(361,592)	(165,564)
Cash generated from operations	151,622	197,321
Income tax paid	(5,170)	(3,969)
Net cash from operating activities	146,452	193,352
Cash flows from investing activities		
Acquisition of properties, plant and equipment	(9,403)	(13,343)
Proceeds from disposal of property, plant and equipment	88	-
Dividend received from an associates	-	215
Interest received from fixed deposit	472	-
Net cash used in investing activities	(8,843)	(13,128)
Cash flows from financing activities		
Interest paid on loans and borrowings	(45,313)	(24,462)
Dividend paid to the owners of the Company	(55,648)	(19,483)
Proceeds from issue shares via exercise of warrants	11,812	-
Drawdown of banking facilities	(19,977)	(20,933)
Repayment of finance lease liabilities	(3,087)	(1,901)
Increase in amount due from associates	(330)	-
Net cash used in financing activities	(112,543)	(66,779)
Net increase in cash and cash equivalents	25,066	113,445
Effect of exchange rate fluctuations on cash held	18,357	(4,307)
Cash and cash equivalents at 1 January	282,804	227,421
Cash and cash equivalents at 31 March	326,227	336,559

PRESS METAL BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2017

Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statement of financial position amounts:

	31.03.2017	31.03.2016
	<i>RM'000</i>	<i>RM'000</i>
Deposits (exclude deposits pledged)	47,007	80,469
Cash and bank balances	298,680	268,387
Bank overdrafts	(19,460)	(12,297)
	<hr/>	<hr/>
	326,227	336,559

Deposits, cash and bank balances

	31.03.2017	31.03.2016
	<i>RM'000</i>	<i>RM'000</i>
Deposits placed with licence bank	107,094	144,382
Cash and bank balances	298,680	268,387
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	405,774	412,769

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2016.



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NOTES TO THE QUARTERLY REPORT **FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

A1. Basis of preparation

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (MFRS) 134: Interim Financial Reporting, paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, International Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

Significant Accounting Policies

The accounting policies adopted in these interim financial statements are consistent with those adopted for the financial year ended 31 December 2016, except for the adoption of the following Amendments and Annual Improvements to Standards effective for the annual periods beginning on or after 1 January 2016.

- Amendments to MFRS 10, *Consolidated Financial Statements*, MFRS 12, *Disclosure on Interests in Other Entities* and MFRS 128, *Investments in Associates and Joint Ventures – Investment Entities: Applying the Consolidation Exception*
- Amendments to MFRS 11, *Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations*
- MFRS 14, *Regulatory Deferral Accounts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Disclosure Initiatives*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 138, *Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to MFRS 116, *Property, Plant and Equipment* and MFRS 141, *Agriculture: Bearer Plants*
- Amendments to MFRS 127, *Separate Financial Statements – Equity Method in Separate Financial Statements*
- Annual Improvements to MFRs 2012-2014 Cycle

The adoption of the above standards, amendments and annual improvement did not have any material financial impacts to the Group.



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NOTES TO THE QUARTERLY REPORT **FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

A1. Basis of preparation (cont'd)

Hedge Accounting

Cash flow hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect the profit or loss. In a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion is recognised in profit or loss.

Subsequently, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss in the same period or periods during which the hedged forecast cash flows affect profit or loss. If the hedge item is a non-financial asset or liability, the associated gain or loss recognised in other comprehensive income is removed from equity and included in the initial amount of the asset or liability. However, loss recognised in other comprehensive income that will not be recovered in one or more future periods is reclassified from equity into profit or loss.

Cash flow hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, the hedge is no longer highly effective, the forecast transaction is no longer expected to occur or the hedge designation is revoked. If the hedge is for a forecast transaction, the cumulative gain or loss on the hedging instrument remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, any related cumulative gain or loss recognised in other comprehensive income on the hedging instrument is reclassified from equity into profit or loss.



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NOTES TO THE QUARTERLY REPORT **FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

A1. Basis of preparation (cont'd)

Standards issued but not yet effective

i) MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, Financial Instruments (2014)
- MFRS 15, Revenue from Contracts with Customers

ii) MFRSs, Interpretations and amendments effective for a date yet to be confirmed

- Amendment to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group intends to adopt the above standards as and when they become effective in the respective financial periods. The adoption of the above is not expected to have any material impacts to the financial statements of the Group.

A2. Auditors' report

The auditors' report of the audited financial statements for the financial year ended 2016 was not subject to any qualification.

A3. Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors.

A4. Extraordinary and exceptional items

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the financial quarter under review.



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

A5. Changes in estimates

There were no changes in estimates during the financial quarter under review and financial period-to-date.

A6. Debt and equity securities

There were no debt and equity securities issued during the current financial period-to-date.

A7. Dividends paid

	Tax exempt (sen per share)	Total amount (RM'000)	Date of payment
Fourth interim 2016	1.5	55,648	28.03.2017

A8. Segmental information

Segmental information is presented in respect of the Group's business segments.

The Group comprises the following main business segments:

(i) **Manufacturing & trading**

Manufacturing and marketing of aluminium and other related products.

(ii) **Contracting**

Contracting of aluminium and stainless steel products.



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

A8. Segmental information – continued

<i>Business Segments</i>						
RM'000	Smelting and extrusion	Others	Elimination	Total		
Revenue from external customers	1,991,856	29,719	-	2,021,575		
Inter-segment revenue	332,471	220	(332,691)	-		
Total revenue	2,324,327	29,939	(332,691)	2,021,575		
Segment results	244,794	(575)		244,219		
Share of associate's profit				424		
Financing cost				(45,313)		
Profit before tax				199,330		
Taxation				(14,168)		
Profit after tax				185,162		
<i>Geographical Segments</i>						
	Malaysia	Asia Region	Europe Region	American Region	Elimination	Total
Revenue from external Customers	1,938,335	284,868	101,539	29,524	(332,691)	2,021,575
Segment assets by location	9,082,964	1,988,829	137,019	22,297	(3,883,939)	7,347,170
Investment in associate	44,447	-	-	-	-	44,447
	9,127,411	1,988,829	137,019	22,297	(3,883,939)	7,391,617



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NOTES TO THE QUARTERLY REPORT **FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

A9. Valuation of property, plant and equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements, as the Group does not adopt a revaluation policy of its property, plant and equipment.

A10. Material events subsequent to the balance sheet date

There was no material event subsequent to the end of the financial year reported.

A11. Changes in the composition of the Group

There were no significant changes in the composition of the Group for the quarter under review.

A12. Contingent liabilities and contingent assets

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

A13. Capital commitments

As at 31 March 2017, the Group has the following known commitments:

	RM'000
Authorised property, plant and equipment expenditures not provided for in the financial statements	250,000
	=====

A14. Related Party Transactions

<u>The Group</u>	RM'000
With the affiliated companies – PMB Technology Berhad Group sales of aluminium products	36,194
Purchase of fabricated aluminium products and building materials	4,056
	=====



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

Disclosure requirements per Bursa Malaysia Securities Berhad's Listing Requirements – Part A of Appendix 9B

Review of performance

B1. Q1 2017 vs Q1 2016

The Group revenue increased from RM1.29 billion in Q1 2016 to RM2.02 billion in Q1 2017, indicating an increase of RM731.6 million or 56.7%. The substantial increase in revenue was mainly attributable to the additional production output generated by its Samalaju phase 2 smelting plant coupled with the higher metal price in Q1 2017.

In tandem with the increase in revenue, the Group profit before tax ("PBT") has also increased from RM137.2 million to RM199.3 million, increased by RM62.1 million or 45.2%. Such improvement was mainly due to the higher production output and improved metal price during the current year quarter under review.

B2. Q1 2017 vs Q4 2016

The Group smelting production output in Q1 2017 was relatively consistent with Q4 2016. As a result, no major variances for the revenue and PBT achieved in these two quarters. Revenue and PBT recorded in Q1 2017 was RM2.02 billion (Q4 2016 - RM2.00 billion) and RM199.3 million (Q4 2016 – RM200.5 million) respectively.



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NOTES TO THE QUARTERLY REPORT **FOR THE FIRST QUARTER ENDED 31 MARCH 2017**

B3. Current year's prospects

Aluminium price increased 11.2% from an average of USD1,731 per metric ton in December 2016 to an average of USD1,930 per metric ton in April 2017. The delivery premium has also increased from USD95 per metric ton in Q4 2016 to USD126 per metric ton in Q2 2017.

The increase in aluminium price was mainly due to the Chinese government's great concern of its environment and has launched to reduce the capacity of aluminium production in the country. As such, the market is expecting that the demand and supply for the year will tilt towards a deficit situation.

Barring unforeseen circumstances, the Board is cautiously optimistic that for this fiscal year the Group would achieve a satisfactory result in view of its three smelters running at their designed capacity and continuous diversification effort into more value-added products.

B4. Profit forecast

Not applicable as no profit forecast was published.



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B5. Taxation

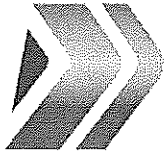
Taxation comprises the following:

	3 months ended 31.03.2017 RM'000
Malaysian income tax	76
Foreign tax	2,905
Deferred tax	11,187

	14,168
	=====

B6. Retained Earnings

	As at 31.03.2017 RM'000	As at 31.12.2016 RM'000
Retained earnings:		
Realised	1,729,325	1,631,808
Unrealised	(149,193)	(144,501)
	-----	-----
	1,580,132	1,487,307
Total share of retained earnings of associate:		
Unrealised	(32,635)	(32,211)
	-----	-----
Total Group retained earnings	1,547,497	1,455,096
	=====	=====



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B7. Status of Corporate Proposals Announced and Pending Completion

Multiple Proposals

The Board of Directors has on 11 July 2016 announced that the Company intends to undertake the following multiple proposals:

- (I) Proposed Share Split;
- (II) Proposed Bonus Issue;
- (III) Proposed Increase in Authorised Share Capital;
- (IV) Proposed Memorandum & Articles Amendments; and
- (V) Proposed Internal Reorganisation

On 27 September 2016, the High Court granted leave for the Company to convene meeting with its members and warrant holders in relation to the proposal (V), within 6 months from 27 September 2016.

On 13 October 2016, the proposals (I) to (IV) were approved by members of the Company via an Extraordinary General Meeting held on the even date.

On 25 October 2016, the Company announced the ex-date and the entitlement date for the proposals (I) and (II), being 4 November 2016 and 8 November 2016 respectively.

On 9 November, the Share Split and Bonus Issue have been completed following the listing of and quotation for 2,635,393,460 subdivided shares and 1,054,157,325 bonus shares.

The Company has on 25 January 2017 announced that a circular to shareholders pertaining to proposal V has been circulated on the even date where the relevant Extraordinary General Meeting will be held on 28 February 2017.

On 6 April 2017, the Court hearing to obtain the requisite order from the High Court of Malaya sanctioning the Scheme has been fixed on 1 June 2017.



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B7. Status of Corporate Proposals Announced and Pending Completion– *continued*

Joint Venture

On 20 September 2016, the Company announced that PMB had entered into a joint venture agreement with Sunstone Development Co., Ltd, a company incorporated in China whereby the Company has agreed to participate in the establishment and operation of a new joint venture company, namely Shandong Sunstone & PMB Carbon Ltd., Co., in China for the primary purpose of manufacturing of pre-baked carbon anodes.

Save as above, there were no corporate proposals announced but pending completion during the financial quarter.



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B8. Group borrowing and debt securities as at 31 March 2017

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
Long term	1,616,073	51,620	1,667,693
Short term	1,361,883	260,133	1,622,016
	<u>2,977,956</u>	<u>311,753</u>	<u>3,289,709</u>

Borrowings that are denominated in foreign currencies amounting to RM3,216 million are as follow:-

<u>Currency</u>		As at 31.03.2017 <u>million</u>
US Dollar	USD	658
Renminbi	RMB	477



PRESS METAL BERHAD

(Company No.: 153208W)

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Tel. : 603-3362-2188 Fax. : 603-3362-2003

NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B9. Material Litigation

The Company had on 17 February 2014 announced that the Company has not reached an acceptable agreement with its insurers on the claims arising from the power outage incident at PMS's smelting plant in Mukah, Sarawak and accordingly, has on the same date served to the lead insurer, a Writ of Summon and Statement of Claim filed vide Kuala Lumpur High Court ("Court") in respect of a suit commenced by PMS through its solicitors ("Suit").

For the financial year ended 2013, PMS has provided an estimated RM90 million for both operating losses and assets written off.

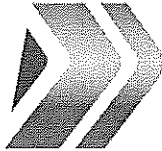
No accrual of insurance claim has been made in the Group income statement for the financial year ended 31 December 2013.

On 12 June 2014, the Court allowed Etiqa's application for stay of proceeding for reference of the matter to Arbitration.

Subsequently, PMS filed an appeal to the Court of Appeal against the High Court's decision in allowing the said application for a stay of proceedings pending arbitration. The Court of Appeal dismissed PMS' appeal on 30 October 2014. Subsequently, PMS filed the motion for Leave to Appeal to the Federal Court on 28 November 2014. The Federal Court granted PMS Leave to Appeal on 26 March 2015. After hearing the Appeal, the Federal Court had on 15 August 2016 upheld the decision of the High Court and Court of Appeal which allowed Etiqa's application for stay of the court proceeding pending reference of the matter to arbitration.

Subsequently, PMS has on 24 November 2016 issued a Notice of Arbitration to Etiqa for commencement of the Arbitration and has on 20 January 2017 made a written request to the Director of Kuala Lumpur Regional Centre of Arbitration ("KLRCA") for registration and commencement of the Arbitration.

Therefore, PMS's claim against Etiqa for, inter alia, an indemnity in respect of its losses and damages arising from the power outage incident at PMS's smelting plant in Mukah, Sarawak is now pending in the arbitration proceedings. The solicitors of PMS are of the opinion that PMS has a good case for its claim.



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B10. Dividend

The Board of Directors has approved a first interim single tier dividend of 1.5 sen per ordinary share, approximate of RM55,950,000 for the financial year ending 31 December 2017.

The Book Closure and Payment Dates for the aforesaid dividend are 6 June 2017 and 21 June 2017 respectively.

B11. Earnings Per Ordinary Share

(a) Basic earnings per share

	1st Quarter		Period-to-date	
	3 months ended		3 months ended	
	31.03.17	31.03.16	31.03.17	31.03.16
Profit attributable to shareholders (RM'000)	148,049	94,558	148,049	94,558
Weighted average number of ordinary shares ('000)	3,707,711	1,298,832	3,707,711	1,298,832
Basic earnings per share (sen)	<u>3.99</u>	<u>7.28</u>	<u>3.99</u>	<u>7.28</u>



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B11. Earnings Per Ordinary Share-*cont'd*

(b) Diluted earnings per share

	1st Quarter		Period-to-date	
	3 months ended		3 months ended	
	31.03.17	31.03.16	31.03.17	31.03.16
Profit attributable to shareholders (RM'000)	148,049	94,558	148,049	94,558
Weighted average number of ordinary shares ('000)	3,707,711	1,298,832	3,707,711	1,298,832
Warrants C ('000)	257,775	70,828	257,775	70,828
	-----	-----	-----	-----
	3,965,486	1,369,660	3,965,486	1,369,660
	=====	=====	=====	=====
Diluted earnings per share (sen)	3.73	6.90	3.73	6.90
	=====	=====	=====	=====



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NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2017

B12. Note to the Condensed Consolidated Income Statement

Profit before tax is arrived at after charging/ (crediting) the following items:

	Current Quarter RM'000	Current Financial Period-To-Date RM'000
Interest income	(472)	(472)
Other income including investment income	-	-
Interest expense	45,313	45,313
Depreciation and amortisation	93,534	93,534
Provision for and written off trade receivables	-	661
Provision for and written of inventories	-	-
unquoted investment or properties	-	-
Realised foreign exchange loss	37,050	37,050
Unrealised loss on derivatives	-	-
Realised loss on derivatives	97,312	97,312
Exceptional item		

On behalf of the Board

Dato' Koon Poh Keong
Group Chief Executive Officer
18 May 2017