

PRESS METAL ALUMINIUM HOLDINGS BERHAD

(Company No.1198171-H)

CONDENSED CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2017

| | Note | 4th Quarter 3 months ended | | Year-to-date 12 months ended | |
|-------------------------------------|--------|-------------------------------|----------------------|---------------------------------|----------------------|
| | | 31.12.2017 RM'000 | 31.12.2016 RM'000 | 31.12.2017 RM'000 | 31.12.2016 RM'000 |
| Revenue | | 2,144,173 | 1,999,755 | 8,170,364 | 6,649,451 |
| Operating expenses | | (1,875,292) | (1,684,131) | (7,136,854) | (5,880,667) |
| Other operating (expenses) / income | | (20,379) | (59,514) | (29,963) | 59,389 |
| Profit from operations | | 248,502 | 256,110 | 1,003,547 | 828,173 |
| Net finance costs | | (48,655) | (56,277) | (187,018) | (156,311) |
| Share of profit from associate | | 850 | 636 | 3,002 | 2,970 |
| Profit before tax | | 200,697 | 200,469 | 819,531 | 674,832 |
| Taxation | B5 | (12,023) | (26,472) | (64,123) | (69,062) |
| Profit for the year | | 188,674 | 173,997 | 755,408 | 605,770 |
| Attributable to : | | | | | |
| Equity holders of the parent | | 150,189 | 131,779 | 602,789 | 483,572 |
| Non-controlling interest | | 38,485 | 42,218 | 152,619 | 122,198 |
| | | 188,674 | 173,997 | 755,408 | 605,770 |
| Basic earnings per share (sen) | B11(a) | 3.98 | 3.57 | 16.13 | 13.22 |
| Diluted earnings per share (sen) | B11(b) | 3.79 | 3.30 | 15.38 | 12.43 |

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

PRESS METAL ALUMINIUM HOLDINGS BERHAD*(Company No.1198171-H)***CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the year ended 31 December 2017

| | 4th Quarter | | Year-to-date | |
|---|----------------|----------------|-----------------|----------------|
| | 3 months ended | | 12 months ended | |
| | 31.12.2017 | 31.12.2016 | 31.12.2017 | 31.12.2016 |
| | <i>RM'000</i> | <i>RM'000</i> | <i>RM'000</i> | <i>RM'000</i> |
| Profit for the year | 188,674 | 173,997 | 755,408 | 605,770 |
| Other comprehensive income, net of tax | | | | |
| -Foreign currency translation differences for foreign operations | 47,680 | 18,482 | 36,551 | (20,336) |
| -Cash flow hedge | 467,206 | (195,633) | (307,353) | (102,842) |
| Total comprehensive income/(loss) for the year | 703,560 | (3,154) | 484,606 | 482,592 |
| Attributable to : | | | | |
| Equity holders of the parent | 525,971 | (6,245) | 245,890 | 380,434 |
| Non-controlling interest | 177,589 | 3,091 | 238,716 | 102,158 |
| | 703,560 | (3,154) | 484,606 | 482,592 |

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 ALUMINIUM HOLDINGS BERHAD

(Company No.1198171-H)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2017

| | <i>Note</i> | As at 31.12.2017 <i>RM'000</i> | As at 31.12.2016 <i>RM'000</i> |
|--|-------------|--------------------------------------|--------------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 4,940,186 | 5,186,244 |
| Investment properties | | 19,200 | 9,797 |
| Goodwill | | 10,497 | 10,497 |
| Investment in associate | | 46,166 | 44,023 |
| Other investments | | 1,803 | 1,803 |
| Deferred tax assets | | 34,265 | 67,933 |
| Total non-current assets | | <u>5,052,117</u> | <u>5,320,297</u> |
| Current assets | | | |
| Inventories | | 1,170,983 | 1,011,299 |
| Other investments | | 15,000 | 26,000 |
| Trade receivables | | 868,674 | 796,743 |
| Other receivables, deposits and prepayments | | 143,541 | 169,069 |
| Current tax assets | | 7,267 | 749 |
| Deposits, cash and bank balances | | 232,837 | 377,679 |
| Total current assets | | <u>2,438,302</u> | <u>2,381,539</u> |
| Total assets | | <u>7,490,419</u> | <u>7,701,836</u> |
| EQUITY | | | |
| Equity attributable to equity holders of the parent | | | |
| Share capital | | 990,640 | 924,473 |
| Reserves | | (543,734) | (173,275) |
| Retained profit | | 1,832,692 | 1,455,096 |
| | | <u>2,279,598</u> | <u>2,206,294</u> |
| Non-controlling interest | | <u>698,763</u> | <u>510,048</u> |
| Total equity | | <u>2,978,361</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> | 2,164,254 | 1,767,501 |
| Deferred tax liabilities | | 149,291 | 144,501 |
| Total non-current liabilities | | <u>2,315,766</u> | <u>1,924,662</u> |
| Current liabilities | | | |
| Trade payables | | 386,960 | 817,266 |
| Other payables and accruals | | 844,563 | 636,734 |
| Hire purchase & finance lease liabilities | | 12,531 | 12,808 |
| Overdraft & short term borrowings | <i>B8</i> | 944,944 | 1,589,331 |
| Taxation | | 7,294 | 4,693 |
| | | <u>2,196,292</u> | <u>3,060,832</u> |
| Total liabilities | | <u>4,512,058</u> | <u>4,985,494</u> |
| Total equity and liabilities | | <u>7,490,419</u> | <u>7,701,836</u> |
| Net assets per share (RM) | | 0.59 | 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 ALUMINIUM HOLDINGS BERHAD
(Company No: 1198171-H)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2017

| | Attributable to equity holders of the parent | | | | | | | Total Equity RM'000 |
|---|--|----------------------------|--|-------------------------------|------------------------------|--|------------------|---------------------------|
| | Share Capital RM'000 | Share Premium RM'000 | Non-Distributable 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 | - | - | (20,864) | - | - | - | (20,864) | (20,336) |
| Conversion of warrants | 11,518 | 17,778 | - | (5,292) | - | - | 24,004 | 24,004 |
| Bonus issue | 263,539 | (99,705) | - | - | - | (163,834) | - | - |
| Cash flow hedge | - | - | - | - | (82,274) | - | (82,274) | (102,842) |
| Acquisition of shares in subsidiary | - | - | - | - | - | (2,595) | (2,595) | (3,265) |
| Dividend payable to non controlling interest | - | - | - | - | - | - | (20,000) | (20,000) |
| Proposed dividend | - | - | - | - | - | - | - | - |
| - Fourth interim 2015 | - | - | - | - | - | (19,483) | (19,483) | (19,483) |
| - First interim 2016 | - | - | - | - | - | (38,984) | (38,984) | (38,984) |
| - Second interim 2016 | - | - | - | - | - | (39,345) | (39,345) | (39,345) |
| - Third interim 2016 | - | - | - | - | - | (36,894) | (36,894) | (36,894) |
| Net profit for the period | - | - | - | - | - | 483,572 | 483,572 | 605,770 |
| At 31 December 2016 | 924,473 | 1,889 | 27,398 | 29,503 | (232,065) | 1,455,096 | 2,206,294 | 2,716,342 |
| 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 | - | - | 36,551 | - | - | - | 36,551 | 36,551 |
| Exercise of warrants | 63,469 | 809 | - | (11,672) | - | - | 52,606 | 52,606 |
| Transfer in accordance with Section 618(2) of the Companies Act 2016 (Note a) | 2,698 | (2,698) | - | - | - | - | - | - |
| Cash flow hedge | - | - | - | - | (393,449) | - | (393,449) | (307,353) |
| Dividend payable to non controlling interest | - | - | - | - | - | - | - | (50,000) |
| Proposed dividend | - | - | - | - | - | - | - | - |
| - Fourth interim 2016 | - | - | - | - | - | (55,648) | (55,648) | (55,648) |
| - First interim 2017 | - | - | - | - | - | (55,997) | (55,997) | (55,997) |
| - Second interim 2017 | - | - | - | - | - | (56,062) | (56,062) | (56,062) |
| - Third interim 2017 | - | - | - | - | - | (57,486) | (57,486) | (57,486) |
| Net profit for the period | - | - | - | - | - | 602,789 | 602,789 | 755,408 |
| At 31 December 2017 | 990,640 | - | 63,949 | 17,831 | (625,514) | 1,832,692 | 2,279,598 | 2,978,361 |

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 ALUMINIUM HOLDINGS BERHAD*(Company No: 1198171-H)***CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2017

| | 12 months ended | |
|---|------------------|------------------|
| | 31.12.2017 | 31.12.2016 |
| | RM'000 | RM'000 |
| Cash flows from operating activities | | |
| Profit before tax | 819,531 | 674,832 |
| <i>Adjustments for:</i> | | |
| Depreciation of property, plant and equipment | 373,252 | 365,187 |
| Finance and other income | (4,783) | (3,987) |
| Finance costs | 191,801 | 160,298 |
| Share of profit of equity accounted associate, net of tax | (3,002) | (2,970) |
| Loss on disposal of property, plant and equipment | 623 | 733 |
| Property, plant and equipment written off | 5,542 | 16,338 |
| Impairment loss on property, plant and equipment | - | 30,000 |
| Fair value loss on derivatives | - | 23,996 |
| Unrealised forex exchange loss | 3,071 | 42,344 |
| Operating profit before changes in working capital | 1,386,035 | 1,306,771 |
| Changes in working capital | | |
| Inventories | (159,684) | (141,410) |
| Trade and other receivables | (108,254) | (97,708) |
| Trade and other payables | (472,133) | (119,310) |
| Cash generated from operations | 645,964 | 948,343 |
| Income tax paid | (27,375) | (11,946) |
| Net cash from operating activities | 618,589 | 936,397 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (110,485) | (424,753) |
| Acquisition of equity interest in subsidiary | - | (3,265) |
| Acquisition of investment properties | (9,989) | (3,534) |
| Disposal/(acquisition) of other investment | 11,000 | (26,000) |
| Proceeds from disposal of property, plant and equipment | 1,394 | 1,228 |
| Dividend received from an associates | 859 | 1,074 |
| Interest received from fixed deposit | 4,783 | 3,987 |
| Net cash used in investing activities | (102,438) | (451,263) |
| Cash flows from financing activities | | |
| Dividend paid to the owners of the Company | (225,193) | (134,706) |
| Dividend paid to the non-controlling interest of subsidiaries | (50,000) | (20,000) |
| Repayment of banking facilities | (1,806,054) | (118,582) |
| Increase in amount due from associates | 3,319 | 403 |
| Interest paid on loans and borrowings | (191,801) | (144,853) |
| Proceeds from issue shares via exercise of warrants | 52,605 | 24,004 |
| Proceeds from issuance of bond | 1,593,964 | - |
| Repayment of finance lease liabilities | (10,716) | (16,474) |
| Net cash used in financing activities | (633,876) | (410,208) |
| Net (decrease)/ increase in cash and cash equivalents | (117,725) | 74,926 |
| Effect of exchange rate fluctuations on cash held | 10,365 | (19,543) |
| Cash and cash equivalents at 1 January | 282,804 | 227,421 |
| Cash and cash equivalents at 31 December | 175,444 | 282,804 |

PRESS METAL ALUMINIUM HOLDINGS BERHAD

(Company No: 1198171-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS *(cont'd)*

For the year ended 31 December 2017

Cash and cash equivalents

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

| | 31.12.2017 | 31.12.2016 |
|-------------------------------------|-------------------|-------------------|
| | RM'000 | RM'000 |
| Deposits (exclude deposits pledged) | 27,173 | 15,706 |
| Cash and bank balances | 148,453 | 271,033 |
| Bank overdrafts | (182) | (3,935) |
| | <hr/> 175,444 | <hr/> 282,804 |

Deposits, cash and bank balances

| | 31.12.2017 | 31.12.2016 |
|-----------------------------------|-------------------|-------------------|
| | RM'000 | RM'000 |
| Deposits placed with licence bank | 84,384 | 106,646 |
| Cash and bank balances | 148,453 | 271,033 |
| | <hr/> 232,837 | <hr/> 377,679 |

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