

**PRESS METAL ALUMINIUM HOLDINGS BERHAD**

Registration No. 201601027232 (1198171-H)

**CONDENSED CONSOLIDATED INCOME STATEMENT**

For the period ended 31 March 2022

	1st Quarter			Period-to-date		
	3 months ended			3 months ended		
	31.03.2022	31.03.2021	Changes	31.03.2022	31.03.2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	3,920,818	2,101,669	86.6	3,920,818	2,101,669	86.6
Operating expenses	(3,309,993)	(1,764,503)	87.6	(3,309,993)	(1,764,503)	87.6
Other operating income / (expenses)	4,323	(13,367)	(132.3)	4,323	(13,367)	(132.3)
<b>Profit from operations</b>	<b>615,148</b>	<b>323,799</b>	<b>90.0</b>	<b>615,148</b>	<b>323,799</b>	<b>90.0</b>
Net finance costs	(58,684)	(38,321)	53.1	(58,684)	(38,321)	53.1
Share of profit from associates	52,237	2,754	1,796.8	52,237	2,754	1,796.8
<b>Profit before tax</b>	<b>608,701</b>	<b>288,232</b>	<b>111.2</b>	<b>608,701</b>	<b>288,232</b>	<b>111.2</b>
Taxation	<i>B5</i> (66,548)	(29,638)	124.5	(66,548)	(29,638)	124.5
<b>Profit for the period</b>	<b>542,153</b>	<b>258,594</b>	<b>109.7</b>	<b>542,153</b>	<b>258,594</b>	<b>109.7</b>
Attributable to :						
Equity holders of the parent	421,017	205,718	104.7	421,017	205,718	104.7
Non-controlling interest	121,136	52,876	129.1	121,136	52,876	129.1
	<b>542,153</b>	<b>258,594</b>	<b>109.7</b>	<b>542,153</b>	<b>258,594</b>	<b>109.7</b>
Basic earnings per share (sen)	<i>B11</i> 5.21	2.55	104.7	5.21	2.55	104.7

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021.

**PRESS METAL ALUMINIUM HOLDINGS BERHAD**

Registration No. 201601027232 (1198171-H)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the period ended 31 March 2022

	1st Quarter 3 months ended			Period-to-date 3 months ended		
	31.03.2022 RM'000	31.03.2021 RM'000	Changes %	31.03.2022 RM'000	31.03.2021 RM'000	Changes %
<b>Profit for the period</b>	<b>542,153</b>	<b>258,594</b>	<b>109.7</b>	<b>542,153</b>	<b>258,594</b>	<b>109.7</b>
Other comprehensive income/(expenses), net of tax						
-Foreign currency translation differences for foreign operations	20,986	25,894	(19.0)	20,986	25,894	(19.0)
-Cash flow hedge	(1,216,066)	(594,775)	104.5	(1,216,066)	(594,775)	104.5
<b>Total comprehensive expense for the period</b>	<b>(652,927)</b>	<b>(310,287)</b>	<b>110.4</b>	<b>(652,927)</b>	<b>(310,287)</b>	<b>110.4</b>
Attributable to :						
Equity holders of the parent	(552,488)	(293,568)	88.2	(552,488)	(293,568)	88.2
Non-controlling interest	(100,439)	(16,719)	500.7	(100,439)	(16,719)	500.7
	<b>(652,927)</b>	<b>(310,287)</b>	<b>110.4</b>	<b>(652,927)</b>	<b>(310,287)</b>	<b>110.4</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021.

**PRESS METAL ALUMINIUM HOLDINGS BERHAD**

Registration No. 201601027232 (1198171-H)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

At 31 March 2022

	<i>Note</i>	<b>As at 31.03.2022 RM'000</b>	<b>As at 31.12.2021 RM'000</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		7,138,479	7,108,872
Right-of-use assets		515,443	499,105
Investment properties		59,265	59,326
Intangible assets		67,289	63,506
Investments in associates		1,393,902	1,341,665
Other investments		1,803	1,803
Derivative financial assets		265,558	85,690
Deferred tax assets		68,684	23,667
Other receivables & prepayments		8,230	8,254
<b>Total non-current assets</b>		<b>9,518,653</b>	<b>9,191,888</b>
<b>Current assets</b>			
Inventories		2,607,408	2,733,527
Trade receivables		2,017,621	1,416,106
Other receivables, deposits and prepayments		853,225	384,079
Contract assets		115	115
Derivative financial assets		26,196	16,729
Current tax assets		7,410	9,965
Deposits, cash and bank balances		343,431	458,501
<b>Total current assets</b>		<b>5,855,406</b>	<b>5,019,022</b>
<b>Total assets</b>		<b>15,374,059</b>	<b>14,210,910</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		1,088,487	1,088,487
Reserves		(1,667,364)	(693,859)
Retained earnings		3,818,185	3,477,930
		<b>3,239,308</b>	<b>3,872,558</b>
<b>Non-controlling interest</b>		<b>946,856</b>	<b>1,047,295</b>
<b>Total equity</b>		<b>4,186,164</b>	<b>4,919,853</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term borrowings	<i>B7</i>	3,715,706	3,573,239
Derivative financial liabilities		884,846	393,838
Deferred tax liabilities		395,730	372,294
Provisions		194,005	185,347
Lease liabilities		210,668	192,058
<b>Total non-current liabilities</b>		<b>5,400,955</b>	<b>4,716,776</b>
<b>Current liabilities</b>			
Trade payables		810,849	894,098
Other payables and accruals		407,410	496,550
Provisions		9,142	9,164
Contract liabilities		267	286
Derivative financial liabilities		1,469,550	527,401
Overdraft & short term borrowings	<i>B7</i>	2,981,616	2,582,968
Lease liabilities		22,987	21,942
Current tax liabilities		85,119	41,872
<b>Total current liabilities</b>		<b>5,786,940</b>	<b>4,574,281</b>
<b>Total liabilities</b>		<b>11,187,895</b>	<b>9,291,057</b>
<b>Total equity and liabilities</b>		<b>15,374,059</b>	<b>14,210,910</b>
Net assets per share (RM)		<b>0.40</b>	<b>0.48</b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021.

**PRESS METAL ALUMINIUM HOLDINGS BERHAD***Registration No. 201601027232 (1198171-H)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the period ended 31 March 2022

	----- Attributable to equity holders of the parent -----				Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Translation Reserve RM'000	Hedging Reserve RM'000	Distributable Retained Earnings RM'000			
<b>At 1 January 2021</b>	<b>1,088,487</b>	<b>51,002</b>	<b>99,873</b>	<b>2,755,663</b>	<b>3,995,025</b>	<b>894,864</b>	<b>4,889,889</b>
Exchange differences	-	25,127	-	-	25,127	767	25,894
Cash flow hedge	-	-	(518,130)	-	(518,130)	(76,645)	(594,775)
Dividend to owners to the Company - Fourth interim 2020	-	-	-	(50,476)	(50,476)	-	(50,476)
Net profit for the period	-	-	-	205,718	205,718	52,876	258,594
<b>At 31 March 2021</b>	<b>1,088,487</b>	<b>76,129</b>	<b>(418,257)</b>	<b>2,910,905</b>	<b>3,657,264</b>	<b>871,862</b>	<b>4,529,126</b>
<b>At 1 January 2022</b>	<b>1,088,487</b>	<b>82,360</b>	<b>(776,219)</b>	<b>3,477,930</b>	<b>3,872,558</b>	<b>1,047,295</b>	<b>4,919,853</b>
Exchange differences	-	13,783	-	-	13,783	7,203	20,986
Cash flow hedge	-	-	(987,288)	-	(987,288)	(228,778)	(1,216,066)
Dividend to owners to the Company - Fourth interim 2021	-	-	-	(80,762)	(80,762)	-	(80,762)
Net profit for the period	-	-	-	421,017	421,017	121,136	542,153
<b>At 31 March 2022</b>	<b>1,088,487</b>	<b>96,143</b>	<b>(1,763,507)</b>	<b>3,818,185</b>	<b>3,239,308</b>	<b>946,856</b>	<b>4,186,164</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021.

**PRESS METAL ALUMINIUM HOLDINGS BERHAD**

Registration No. 201601027232 (1198171-H)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the period ended 31 March 2022

	<b>3 months ended</b>	
	<b>31.03.2022</b>	<b>31.03.2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before tax	608,701	288,232
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	135,963	97,201
Finance income	(1,813)	(1,957)
Finance costs	60,497	40,278
Share of profit of equity accounted associates, net of tax	(52,237)	(2,754)
Loss/(gain) on disposal of property, plant and equipment	485	(172)
Property, plant and equipment written off	1,911	564
Unrealised foreign exchange loss	1,092	14,418
<b>Operating profit before changes in working capital</b>	<b>754,599</b>	<b>435,810</b>
Changes in working capital		
Inventories	126,119	(215,980)
Trade and other receivables	(1,030,029)	(61,332)
Trade and other payables and provisions	(167,112)	(73,566)
Cash (used in)/ generated from operations	(316,423)	84,932
Net income tax paid	(5,459)	(3,965)
<b>Net cash (used in)/from operating activities</b>	<b>(321,882)</b>	<b>80,967</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(154,408)	(463,479)
Acquisition of an indirect subsidiary, net of cash and cash equivalent acquired	(3,654)	-
Finance costs for capital expenditures	-	(5,230)
Acquisition of an associate	-	(284,469)
Proceeds from disposal of property, plant and equipment	272	216
Interest received from Irredeemable Convertible Secured Loan Stocks from an associate	890	890
Interest received from fixed deposits	923	1,067
Change in pledge deposits	(56,960)	120,804
<b>Net cash used in investing activities</b>	<b>(212,937)</b>	<b>(630,201)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to shareholders of the Company	(80,762)	(90,857)
Net drawdown of banking facilities	520,291	404,562
Decrease in amount due to an associate	(259)	(371)
Interest paid on loans and borrowings	(60,497)	(40,278)
Payment of lease liabilities	(6,369)	(8,562)
<b>Net cash from financing activities</b>	<b>372,404</b>	<b>264,494</b>
<b>Net cash flows to operating, investing and financing activities</b>	<b>(162,415)</b>	<b>(284,740)</b>
Exchange differences on translation of the financial statements of foreign operations	(14,005)	32,736
<b>Net decrease in cash and cash equivalents</b>	<b>(176,420)</b>	<b>(252,004)</b>
Effect of exchange rate fluctuations on cash held	4,431	5,821
Cash and cash equivalents at 1 January	435,429	553,384
<b>Cash and cash equivalents at 31 March</b>	<b>263,440</b>	<b>307,201</b>

## PRESS METAL ALUMINIUM HOLDINGS BERHAD

Company No. 201601027232 (1198171-H)

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

For the period ended 31 March 2022

#### Cash and cash equivalents

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

	3 months ended	
	31.03.2022	31.03.2021
	RM'000	RM'000
Deposits (exclude deposits pledged)	7,561	3,758
Cash and bank balances	260,827	303,678
Bank overdrafts	(4,948)	(235)
	<hr/>	<hr/>
	263,440	307,201

#### Deposits, cash and bank balances

	12 months ended	
	31.12.2021	31.12.2020
	RM'000	RM'000
Deposits placed with licence banks	82,604	21,763
Cash and bank balances	260,827	303,678
	<hr/>	<hr/>
	343,431	325,441

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2021.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A1. Basis of preparation**

The condensed consolidated interim financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (MFRSs) 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 2016 in Malaysia.

**Significant Accounting Policies**

The accounting policies adopted in these condensed consolidated interim financial statements are consistent with those adopted for the financial year ended 31 December 2021, except for the adoption of the following Amendments which are effective for the annual periods beginning on or after 1 January 2022.

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 3, *Business Combinations - Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018-2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018-2020)*
- *Amendments to MFRS 137, Provisions, Contingent Liabilities and Contingent Assets- Onerous Contracts – Cost of fulfilling a Contract*

The adoption of the above amendments did not have any material impact to the Group.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A1. Basis of preparation - cont'd**

The following are accounting standards, amendments and interpretations of the MFRSs that have been issued by Malaysian Accounting Standards Board but have not been adopted by the Group:

***MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 17, *Insurance Contracts* – Initial application of MFRS 17 and MFRS 9- *Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements* – *Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* – *Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes* – *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

***MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments 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 plans to apply the abovementioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2023 for the accounting standard and amendments that are effective for annual period beginning on or after 1 January 2023, except for MFRS 17 and amendments to MFRS 17 which are not applicable to Group.





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**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A2. Auditors' report**

The auditors' report of the audited financial statements for the financial year ended 31 December 2021 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 other unusual items affecting assets, liabilities, equity, net income or cash flow during the financial quarter under review.

**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**

On 21 March 2022, the Company proposed to undertake a private placement of up to 163,398,700 new ordinary shares ("Placement"). The issue price was at RM5.94 per share on 28 March 2022 and the Placement was completed on 8 April 2022 following the listing and quotation of the 163,398,700 new ordinary shares on the Main Market of Bursa Malaysia Securities Berhad. The total gross proceeds raised was RM970,588,278 with an estimated expenses of RM8.0 million.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A6. Debt and equity securities – (cont'd)**

This Placement was not accounted for in the Company's consolidated statement of financial position as at 31 March 2022. For illustrative purposes, should the Placement had been effected on that date, the pro forma effect of the Placement on the Company's equity is as follow:

<u>Equity</u>	As at 31.3.2022 RM'000	After the Placement RM'000
Share capital	1,088,487	2,051,075
Reserves	(1,667,364)	(1,667,364)
Retained earnings	3,818,185	3,818,185
Equity attributable to owners of the Company	3,239,308	4,201,896
Non-controlling interest	946,856	946,856
Total equity	4,186,164	5,148,752

Save as the above, there were no other debt and equity securities issued during the current financial period-to-date.

**A7. Dividends paid**

	<u>Tax exempt</u> <u>(sen per share)</u>	<u>Total amount</u> <u>(RM'000)</u>	<u>Date of</u> <u>payment</u>
Fourth interim 2021	1.00	80,762	31.03.2022



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**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A8. Segmental information**

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

The Group comprises the following main business segments:

**(i) Smelting**

Manufacturing and marketing of upstream aluminium products.

**(ii) Extrusion**

Manufacturing and trading of downstream aluminium extrusion products.

**(iii) Refinery**

Refinery of alumina.

**(iv) Contracting and others**

Contracting of aluminium and stainless steel products.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**A8. Segmental information - (cont'd)**

<i>Business Segments</i>						
<i>RM'000</i>	<b>Smelting</b>	<b>Extrusion</b>	<b>Refinery</b>	<b>Contracting and others</b>	<b>Elimination</b>	<b>Total</b>
Revenue from external customers	3,254,511	590,914	67,323	8,070	-	3,920,818
Inter-segment revenue	117,607	264,848	-	318,944	(701,399)	-
<b>Total revenue</b>	<b>3,372,118</b>	<b>855,762</b>	<b>67,323</b>	<b>327,014</b>	<b>(701,399)</b>	<b>3,920,818</b>
<b>Segment results</b>	<b>576,081</b>	<b>38,772</b>	<b>7,492</b>	<b>(7,197)</b>		<b>615,148</b>
Share of associates' profit						52,237
Net finance costs						(58,684)
Profit before tax						608,701
Taxation						(66,548)
<b>Profit after tax</b>						<b>542,153</b>
<i>Geographical Segments</i>						
<i>RM'000</i>	<b>Malaysia</b>	<b>Asia Region</b>	<b>Europe Region</b>	<b>American Region</b>	<b>Elimination</b>	<b>Total</b>
Revenue from external customers	3,897,787	461,721	168,985	93,724	(701,399)	3,920,818
Segment assets by location	19,264,621	3,134,339	268,291	98,009	(8,785,103)	13,980,157
Investments in associates	155,422	1,238,480	-	-	-	1,393,902
	19,420,043	4,372,819	268,291	98,009	(8,785,103)	15,374,059

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**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 on its property, plant and equipment.

**A10. Material events subsequent to the balance sheet date**

Save as disclosed in note A6, there were no material events subsequent to the end of the financial period to the date of issue of this report.

**A11. Changes in the composition of the Group**

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

**A12. Contingent liabilities and contingent assets**

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

**A13. Capital commitments**

As at 31 March 2022, the Group has the following known commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	250,000
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**A14. Related party transactions**

	<b>3 months ended</b>
	<b>31.03.2022</b>
<u>The Group</u>	RM'000
With the associated companies – PMB Technology Berhad Group:-	
- Sales of aluminium products	7,191
- Purchase of silicon, fabricated aluminium products and building materials	26,747
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**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

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

**Review of performance**

**B1. Q1 2022 vs Q1 2021**

The Group's revenue increased from RM2.10 billion in Q1 2021 to RM3.92 billion in Q1 2022, representing an increase of RM1.82 billion or 86.6%. Substantial increase in the revenue was mainly due to the higher aluminium price and additional production output following the full commissioning of its Phase 3 smelting operations in October 2021.

Correspondingly, profit before tax ("PBT") has also increased substantially from RM288.23 million in Q1 2021 to RM608.70 million in Q1 2022, showing an increase of RM320.47 million or 111.2%. Significant increase in PBT was mainly attributable to the higher metal price, additional production output and higher profit sharing from its associated companies which principally engaged in the manufacturing of silicon, alumina and carbon anode.

**B2. Q1 2022 VS Q4 2021**

The Group's PBT in Q1 2022 of RM608.70 million was higher than the immediate preceding quarter's RM389.65 million. Higher PBT by RM219.05 million or 56.2% was mainly due to higher metal price during the current year quarter under review.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B3. Current year's prospects**

The Group's financial results represent a growth trajectory driven by expansion strategies across our value chain. We are committed to grow our market presence and further entrench our position in the region.

Market fluidity on the backdrop of demand and supply dynamics is an expected phenomenon in our business. We have experienced numerous cycles over the years and ultimately, placing an emphasis on our own competency and efficiency is how we continue to remain competitive. On the supply front, persistently high energy prices in Europe have led to curtailment of aluminium supply which should lend support to aluminium prices.

China is currently filling the supply gap in the western markets as their domestic market activities faced temporary slowdown due to implementation of pandemic lockdowns in recent months. This could swiftly reverse when the Chinese economy switches back on gear with the eventual easing of lockdowns coupled with its USD2.3 trillion infrastructure plan to spur the economy.

With the re-opening of economies and heightened manufacturing activities in the region, we believe that Southeast Asia, being an export hub, should see additional demand for raw materials such as aluminium. Leveraging on our position as the largest aluminium smelter in this region, we are well positioned to seize this opportunity as customers prefer to avoid uncertainties stemming from logistic disruptions and trade tensions.

Barring unforeseen circumstances, the Board expects the Group to achieve favorable results for financial year 2022.

**B4. Profit forecast**

Not applicable as no profit forecast was published.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B5. Taxation**

Taxation comprises the following:

	<b>3 months ended</b>
	<b>31.03.2022</b>
	<b>RM'000</b>
Malaysian income tax	44,366
Foreign tax	6,895
Deferred tax	15,287
	-----
	<b>66,548*</b>
	=====

*\*The effective tax rate of the Group was lower than the prevailing statutory tax rate due to the tax incentives granted to its subsidiaries*

The Company has on 25 November 2021 announced that Press Metal Bintulu Sdn Bhd (“PM Bintulu”), a subsidiary of the Company, had received notices of additional assessment dated 25 November 2021 from the Inland Revenue Board (“IRB”) for the years of assessment 2014 to 2019 (collectively referred to as “**Notice of Additional Assessment**”) amounting in aggregate to RM106,059,655.47 (inclusive of penalties) (“**Additional Income Tax Payable**”).

The IRB has imposed the Additional Income Tax Payable based on its view that certain income does not fall under pioneer status exemption approved by Malaysian Investment Development Authority (“MIDA”).

Subsequently, the Company has on 25 April 2022 announced that pursuant to a letter from the IRB dated 22 April 2022, a final settlement with the IRB amounting to RM26,738,298.53 (inclusive of penalties) in respect of the Notices of Additional Assessment (which comprised years of assessments (“YA”) 2014 to 2019) and extended to YA 2020 was reached (hereinafter referred to as “**Final Settlement**”). The Final Settlement will be paid in eight (8) equal instalments commencing from May to December 2022.

The Final Settlement has been recognised in the financial statements for the financial year ended 31 December 2021.

With the above, the tax dispute between PM Bintulu and the IRB has been closed.





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**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B6. Status of Corporate Proposals Announced and Pending Completion**

There were no corporate proposals announced but pending completion during the financial quarter.

**B7. Group Borrowings and Debt Securities as at 31 March 2022**

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
Long term	764,747	2,950,959	3,715,706
Short term	231,614	2,750,002	2,981,616
	----- 996,361 =====	----- 5,700,961 =====	----- 6,697,322 =====

Borrowings that are denominated in foreign currencies amounting to RM5,278 million are as follows: -

<u>Currency</u>	As at 31.03.2022 <u>RM'million</u>
US Dollar	USD 5,048
Renminbi	RMB 157
Pound Sterling	GBP 64
Australian Dollar	AUD 9

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B8. Derivative Financial Instruments**

(a) Details of derivative financial instruments

Details of derivative financial instruments that are outstanding as at 31 March 2022 are as follows:

	Nominal value RM'000	Fair value assets/(liabilities) RM'000
Commodity swaps		
- Less than 1 year	3,803,722	(1,467,101)
- 1 year to 3 years	3,989,646	(882,854)
- More than 3 years	-	-
	----- 7,793,368 =====	----- (2,349,955) =====
Forward exchange contracts		
- Less than 1 year	2,520,527	23,747
- 1 year to 3 years	3,907,271	116,378
- More than 3 years	6,234,708	99,385
	----- 12,662,506 =====	----- 239,510 =====
Cross currency swaps		
- Less than 1 year	-	-
- 1 year to 3 years	987,500	11,094
- More than 3 years	1,750,000	36,709
	----- 2,737,500 =====	----- 47,803 =====

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B8. Derivative Financial Instruments** (*cont'd*)

(a) Details of derivative financial instruments

The Group entered into commodity swaps to hedge its highly probable forecast physical aluminium delivery that are expected to occur at various dates in the future. The commodity swaps have maturity dates which match the expected occurrence of these transactions.

The Group entered into the forward exchange contracts to hedge its highly probable forecast transactions denominated in foreign currency expected to occur in the future. Such contracts have maturity dates that match the expected occurrence of these transactions.

These financial instruments are stated at fair value based on the financial institutions' quote.

All the derivatives were contracted with creditworthy financial institutions to mitigate the credit risk, market risk and liquidity risk associated with the derivatives.

There have been no changes made to the accounting policies associated with those derivatives since the end of the previous financial year ended 31 December 2021.

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B8. Derivative Financial Instruments -cont'd**

(b) Fair value changes in financial liabilities

The gain/(loss) arising from fair value changes of financial liabilities for the current quarter and financial year are as follows: -

Type of financial liabilities	Basis of fair value measurement	Reason for gain/(loss)	Fair value	
			Current quarter 31.03.2022 RM'000	Current period-to-date 31.03.2022 RM'000
Commodity swaps	Difference between the commodity swaps contracted price and the market forward price	Commodity price differential between the contracted price and market forward price which have moved in favour/ (not in favour) of the Group	(1,441,477)	(1,441,477)
Forward exchange contracts	Difference between the contracted foreign exchange rates and the market forward rate	Foreign exchange rate differential between the contracted rate and the market forward rate which have moved in favour/ (not in favour) of the Group	158,968	158,968
Cross currency swaps	Difference between the contracted interest rates and the fixed rates	Interest rate differential between the contracted rate and the fixed rate which have moved in favour/(not in favour) of the Group	38,687	38,687

**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B9. Material Litigation**

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

**B10. Dividend**

The Board of Directors has approved a first interim single tier dividend of 1.5 sen per ordinary share, amounting approximately of RM123,600,000 for the financial year ending 31 December 2022.

The book closure and payment dates for the aforesaid dividend are 15 June 2022 and 27 June 2022 respectively.

**B11. Earnings per ordinary share**

**Basic earnings per share**

	<b>1<sup>st</sup> Quarter</b>		<b>Period-to-date</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31.03.22</b>	<b>31.03.21</b>	<b>31.03.22</b>	<b>31.03.21</b>
Profit attributable to shareholders (RM'000)	421,017	205,718	421,017	205,718
Weighted average number of ordinary shares ('000)*	8,076,220	8,076,220	8,076,220	8,076,220
Basic earnings per share (sen)	5.21	2.55	5.21	2.55

\* Adjusted for the effect of bonus issue completed in April 2021.



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**NOTES TO THE QUARTERLY REPORT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2022**

**B12. Note to the Condensed Consolidated Income Statement**

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

	<b>Current Quarter RM'000</b>	<b>Current Financial Period-To-Date RM'000</b>
Interest income	(1,813)	(1,813)
Other income including investment income	-	-
Interest expense	60,497	60,497
Depreciation and amortisation	135,963	135,963
Provision for and write off of trade receivables	-	-
Provision for and write off of inventories	-	-
Loss on disposal of quoted or unquoted investment or properties	485	485
Impairment of assets	-	-
Realised foreign exchange gain	(1,743)	(1,743)
Unrealised foreign exchange loss	1,092	1,092
Property, plant and equipment written off	1,911	1,911
(Gain)/Loss on derivatives	-	-
Exceptional items	-	-

**B13. Comparative figures**

The prior year's financial statements have been restated to reflect the audited financial statements for the financial year ended 31 December 2021.

**On behalf of the Board**

**Tan Sri Dato' Koon Poh Keong**  
**Group Chief Executive Officer**  
 30 May 2022