

PRESS METAL ALUMINIUM HOLDINGS BERHAD

Registration No. 201601027232 (1198171-H)

CONDENSED CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2022

	4th Quarter			Year-to-date		
	3 months ended			12 months ended		
	31.12.2022	31.12.2021	Changes	31.12.2022	31.12.2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Revenue	3,918,366	3,366,866	16.4	15,692,091	10,995,236	42.7
Operating expenses	(3,523,383)	(2,992,982)	17.7	(13,640,445)	(9,479,474)	43.9
Other operating (expenses)/income	(29,223)	7,294	(500.6)	(27,240)	9,822	(377.3)
Profit from operations	365,760	381,178	<i>(4.0)</i>	2,024,406	1,525,584	32.7
Net finance costs	(61,032)	(48,572)	25.7	(231,347)	(164,992)	40.2
Share of profit from associates	41,798	51,173	(18.3)	177,869	82,230	116.3
Profit before tax	346,526	383,779	<i>(9.7)</i>	1,970,928	1,442,822	36.6
Taxation	<i>B5</i> (4,101)	(55,521)	(92.6)	(190,186)	(147,658)	28.8
Profit for the year	342,425	328,258	<i>4.3</i>	1,780,742	1,295,164	37.5
Attributable to :						
Equity holders of the parent	272,209	257,253	5.8	1,418,204	1,001,885	41.6
Non-controlling interest	70,216	71,005	(1.1)	362,538	293,279	23.6
	342,425	328,258	<i>4.3</i>	1,780,742	1,295,164	37.5
Basic earnings per share (sen)	<i>B11</i> 3.30	3.19	3.7	17.30	12.41	39.5

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 year ended 31 December 2022

	4th Quarter			Year-to-date		
	3 months ended			12 months ended		
	31.12.2022	31.12.2021	Changes	31.12.2022	31.12.2021	Changes
	RM'000	RM'000	%	RM'000	RM'000	%
Profit for the year	342,425	328,258	4.3	1,780,742	1,295,164	37.5
Other comprehensive income/(expenses), net of tax						
-Foreign currency translation differences for foreign operations	(22,964)	7,659	(399.8)	(23,404)	21,684	(207.9)
-Cash flow hedge	823,046	315,064	161.2	1,009,225	(983,320)	(202.6)
Total comprehensive income for the year	1,142,507	650,981	75.5	2,766,563	333,528	729.5
Attributable to :						
Equity holders of the parent	933,510	542,646	72.0	2,290,085	157,151	1,357.3
Non-controlling interest	208,997	108,335	92.9	476,478	176,377	170.1
	1,142,507	650,981	75.5	2,766,563	333,528	729.5

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 December 2022

	As at 31.12.2022	As at 31.12.2021
Note	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	7,182,945	7,108,872
Right-of-use assets	500,952	499,105
Investment properties	55,973	59,326
Intangible assets	66,907	63,506
Investments in associates	1,547,059	1,341,665
Other investments	1,803	1,803
Derivative financial assets	391,109	85,690
Deferred tax assets	2,145	23,667
Other receivables & prepayments	6,828	8,254
Total non-current assets	9,755,721	9,191,888
Current assets		
Inventories	2,794,809	2,733,527
Trade receivables	1,597,974	1,416,106
Other receivables, deposits and prepayments	453,919	384,079
Contract assets	91	115
Derivative financial assets	124,398	16,729
Current tax assets	18,483	9,965
Deposits, cash and bank balances	598,783	458,501
Total current assets	5,588,457	5,019,022
Total assets	15,344,178	14,210,910
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	2,052,740	1,088,487
Reserves	178,022	(693,859)
Retained earnings	4,418,193	3,477,930
	6,648,955	3,872,558
Non-controlling interest	1,371,073	1,047,295
Total equity	8,020,028	4,919,853
LIABILITIES		
Non-current liabilities		
Long term borrowings	3,300,996	3,573,239
Derivative financial liabilities	12,214	393,838
Deferred tax liabilities	471,822	372,294
Provisions	188,163	185,347
Lease liabilities	195,319	192,058
Total non-current liabilities	4,168,514	4,716,776
Current liabilities		
Trade payables	980,687	894,098
Other payables and accruals	373,128	496,550
Provisions	9,416	9,164
Contract liabilities	267	286
Derivative financial liabilities	202,740	527,401
Short term borrowings & overdraft	1,553,629	2,582,968
Lease liabilities	22,331	21,942
Current tax liabilities	13,438	41,872
Total current liabilities	3,155,636	4,574,281
Total liabilities	7,324,150	9,291,057
Total equity and liabilities	15,344,178	14,210,910
Net assets per share (RM)	0.81	0.48

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 year ended 31 December 2022

	----- Attributable to equity holders of the parent -----						Total Equity RM'000
	----- Non-Distributable -----			Distributable		Non-controlling Interest RM'000	
	Share Capital RM'000	Translation Reserve RM'000	Hedging Reserve RM'000	Retained Earnings RM'000	Total RM'000		
At 1 January 2021	1,088,487	51,002	99,873	2,755,663	3,995,025	894,864	4,889,889
Exchange differences	-	31,358	-	-	31,358	(9,674)	21,684
Cash flow hedge	-	-	(876,092)	-	(876,092)	(107,228)	(983,320)
Dividend to owners to the Company							
- Fourth interim 2020	-	-	-	(50,476)	(50,476)	-	(50,476)
- First interim 2021	-	-	-	(60,572)	(60,572)	-	(60,572)
- Second interim 2021	-	-	-	(80,762)	(80,762)	-	(80,762)
- Third interim 2021	-	-	-	(80,762)	(80,762)	-	(80,762)
Dividend to non-controlling interest	-	-	-	-	-	(57,400)	(57,400)
Partial disposal of interest in a subsidiary	-	-	-	(21,446)	(21,446)	47,854	26,408
Adjustment in purchase consideration on partial disposal of a subsidiary in previous years	-	-	-	14,400	14,400	(14,400)	-
Net profit for the year	-	-	-	1,001,885	1,001,885	293,279	1,295,164
At 31 December 2021	1,088,487	82,360	(776,219)	3,477,930	3,872,558	1,047,295	4,919,853
At 1 January 2022	1,088,487	82,360	(776,219)	3,477,930	3,872,558	1,047,295	4,919,853
Issuance of shares via private placement	964,253	-	-	-	964,253	-	964,253
Exchange differences	-	(25,390)	-	-	(25,390)	1,986	(23,404)
Cash flow hedge	-	-	897,271	-	897,271	111,954	1,009,225
Dividend to owners to the Company							
- Fourth interim 2021	-	-	-	(80,762)	(80,762)	-	(80,762)
- First interim 2022	-	-	-	(123,593)	(123,593)	-	(123,593)
- Second interim 2022	-	-	-	(144,193)	(144,193)	-	(144,193)
- Third interim 2022	-	-	-	(144,193)	(144,193)	-	(144,193)
Dividend to non-controlling interest	-	-	-	-	-	(135,900)	(135,900)
Adjustment in purchase consideration on partial disposal of a subsidiary in previous years	-	-	-	14,800	14,800	(14,800)	-
Reduction of share capital in a subsidiary	-	-	-	-	-	(2,000)	(2,000)
Net profit for the year	-	-	-	1,418,204	1,418,204	362,538	1,780,742
At 31 December 2022	2,052,740	56,970	121,052	4,418,193	6,648,955	1,371,073	8,020,028

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 year ended 31 December 2022

	12 months ended	
	31.12.2022	31.12.2021
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	1,970,928	1,442,822
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	576,143	437,454
Finance income	(10,277)	(5,807)
Finance costs	241,624	170,799
Share of profit of equity accounted associates, net of tax	(177,869)	(82,230)
Gain on disposal of property, plant and equipment	(535)	(2,432)
Impairment loss on trade receivables	-	2,880
Property, plant and equipment written off	14,469	6,813
Unrealised derivative gain	-	(7)
Unrealised foreign exchange (gain)/loss	(226)	7,244
Operating profit before changes in working capital	2,614,257	1,977,536
Changes in working capital		
Inventories	(63,392)	(1,171,049)
Trade and other receivables	(239,736)	(750,423)
Trade and other payables and provisions	(33,845)	383,499
Cash generated from operations	2,277,284	439,563
Net income tax paid	(161,984)	(31,691)
Net cash from operating activities	2,115,300	407,872
Cash flows from investing activities		
Acquisition of property, plant and equipment	(664,704)	(1,049,286)
Acquisition of an indirect subsidiary, net of cash and cash equivalent acquired	(4,210)	-
Acquisition of an associate	-	(284,469)
Conversion of warrants of an associate	(32,214)	-
Dividend received from an associate	4,688	430
Proceeds from disposal of property, plant and equipment	1,170	5,082
Interest received from Irredeemable Convertible Secured Loan Stocks from an associate	1,765	1,765
Interest received from fixed deposits	8,512	4,042
Net cash used in investing activities	(684,993)	(1,322,436)
Cash flows from financing activities		
Dividends paid to shareholders of the Company	(492,741)	(312,953)
Dividends paid to non-controlling interest	(135,900)	(57,400)
Net (repayment)/drawdown of banking facilities	(1,485,827)	725,757
Proceeds from issuance of Islamic Medium-Term Notes	-	600,000
Proceeds from disposal of interest in a subsidiary	-	26,408
Net proceeds from issuance of shares via private placement	964,253	-
Decrease in amount due to an associate	(616)	-
Interest paid on loans and borrowings	(239,854)	(218,696)
Payment of lease liabilities	(24,597)	(32,047)
Net cash (used in)/from financing activities	(1,415,282)	731,069
Net cash flows from/(to) operating, investing and financing activities	15,025	(183,495)
Exchange differences on translation of the financial statements of foreign operations	4,913	69,149
Net increase/(decrease) in cash and cash equivalents	19,938	(114,346)
Effect of exchange rate fluctuations on cash held	(5,981)	(3,609)
Cash and cash equivalents at 1 January	435,429	553,384
Cash and cash equivalents at 31 December	449,386	435,429

PRESS METAL ALUMINIUM HOLDINGS BERHAD

Company No. 201601027232 (1198171-H)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

For the year ended 31 December 2022

Cash and cash equivalents

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

	As at 31.12.2022 <i>RM'000</i>	As at 31.12.2021 <i>RM'000</i>
Deposits (exclude deposits pledged)	146,662	13,233
Cash and bank balances	310,606	427,184
Bank overdrafts	(7,882)	(4,988)
	<hr/> 449,386	<hr/> 435,429

Deposits, cash and bank balances

	As at 31.12.2022 <i>RM'000</i>	As at 31.12.2021 <i>RM'000</i>
Deposits placed with licence banks	288,177	31,317
Cash and bank balances	310,606	427,184
	<hr/> 598,783	<hr/> 458,501

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 FOURTH QUARTER ENDED 31 DECEMBER 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 does not have any material impact to the Group.

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*

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

A1. Basis of preparation - cont'd

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023 - cont'd

- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 - Comparative Information*
- Amendments to MFRS 101, *Presentation of Financial Statements – 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 1 January 2024

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements–Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

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 the Group.

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

A1. Basis of preparation - *cont'd*

The Group plans to apply the abovementioned accounting standards, interpretations and amendments: (*cont'd*)

- from the annual period beginning on 1 January 2024 for the amendments that are effective for annual period beginning on or after 1 January 2024.

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 year.

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.

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

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

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
First interim 2022	1.50	123,593	27.06.2022
Second interim 2022	1.75	144,193	29.09.2022
Third interim 2022	1.75	144,193	30.12.2022

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 FOURTH QUARTER ENDED 31 DECEMBER 2022

A8. Segmental information - (cont'd)

<i>Business Segments</i>						
<i>RM'000</i>	Smelting	Extrusion	Refinery	Contracting and others	Elimination	Total
Revenue from external customers	13,010,854	2,264,594	372,410	44,233	-	15,692,091
Inter-segment revenue	556,113	898,619	-	2,254,737	(3,709,469)	-
Total revenue	13,566,967	3,163,213	372,410	2,298,970	(3,709,469)	15,692,091
Segment results	1,863,483	125,243	33,913	1,767		2,024,406
Share of associates' profit						177,869
Net finance costs						(231,347)
Profit before tax						1,970,928
Taxation						(190,186)
Profit after tax						1,780,742
<i>Geographical Segments</i>						
<i>RM'000</i>	Malaysia	Asia Region	Europe Region	American Region	Elimination	Total
Revenue from external customers	16,619,250	1,916,642	442,718	422,950	(3,709,469)	15,692,091
Segment assets by location	18,475,792	2,750,880	150,778	89,589	(7,669,920)	13,797,119
Investments in associates	197,299	1,349,760	-	-	-	1,547,059
	18,673,091	4,100,640	150,778	89,589	(7,669,920)	15,344,178

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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

There were no material events subsequent to the end of the financial year 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 December 2022, the Group has the following known commitments:

	RM'000
Authorised property, plant and equipment expenditure not provided for in the financial statements	180,000
	=====

A14. Related party transactions

	12 months ended
	31.12.2022
<u>The Group</u>	RM'000
With the associated companies – PMB Technology Berhad Group:-	
- Sales of aluminium products	31,909
- Purchase of silicon, fabricated aluminium products and building materials	80,424
	=====

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

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

Review of performance

B1. Q4 2022 vs Q4 2021

The Group revenue increased from RM3.37 billion in Q4 2021 to RM3.92 billion in Q4 2022, representing an increase of RM0.55 billion or 16.4%. Despite the lower metal selling price during the quarter, the increase in revenue was mainly due to higher quantity sold and the strengthening of USD currency.

Profit before tax (“PBT”) for Q4 2022 has marginally decreased from RM383.78 million to RM346.53 million, declined by RM37.25 million or 9.7%. The decrease was mainly due to the lower metal price, lower profit sharing from its associated companies and higher finance costs charged during the current year quarter under review.

12M 2022 vs 12M 2021

On year-to-year basis, the Group revenue increased substantially from RM11.00 billion to RM15.69 billion showing an increase of RM4.70 billion or 42.7%. Higher revenue was principally due to the higher metal selling price during the year, stronger USD currency and higher sales volume arising from the full commissioning of its Phase 3 smelter in October 2021.

In tandem with the higher revenue as mentioned above, the Group PBT has also increased from RM1.44 billion to RM1.97 billion in FY 2022, registering an increase of RM528.11 million or 36.6%.

B2. Q4 2022 vs Q3 2022

The Group PBT decreased from RM449.50 million in Q3 2022 to RM346.53 million in Q4 2022, declined by RM102.97 million or 22.9% mainly due to the softening of metal selling price and higher financial costs incurred during the quarter.

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

B3. Current year's prospects

For FY2022, Press Metal has delivered a satisfactory profit growth despite being faced with elevated raw material prices and high freight costs. Our sales volume increased year-on-year as this was the first full year of commissioning our Phase 3 Samalaju smelter. In addition, contribution from our associate companies has more than doubled in FY2022.

Going into 2023, we believe supply tightness will persist especially in Europe due to the scarcity of renewable energy and the deficiency of reliable energy supply amid ongoing Russia-Ukraine tensions. Although China has increased production capacity last year, weather constraints continued to curtail output intermittently, posing a risk to global supply.

For current year demand, we are cautiously optimistic. The fear of an earlier predicted deep recession in Europe has eased, and China's re-opening has boosted optimism on recovery which may push primary demand higher. The current low inventory levels and a resurgence of activities from China should underpin a stronger aluminium price performance.

The structural changes brought about by the curtailment of smelters in the west and also the consequences of the Russia-Ukraine war have opened up an opportunity for us to strengthen our position further in the western market. With our low carbon content production, we are poised to benefit from the green industries including electric vehicles, renewable energy, packaging and consumer products.

Barring unforeseen circumstances, the Board expects the Group to achieve a satisfactory result for FY2023.

B4. Profit forecast

Not applicable as no profit forecast was published.

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

B5. Taxation

Taxation comprises the following:

	12 months ended 31.12.2022 RM'000
Malaysian income tax	90,996
Foreign tax	24,855
Deferred tax	74,335

	190,186*
	=====

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

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 December 2022

	Secured (RM'000)	Unsecured (RM'000)	Total (RM'000)
Long term	646,036	2,654,960	3,300,996
Short term	248,264	1,305,365	1,553,629
	-----	-----	-----
	894,300	3,960,325	4,854,625
	=====	=====	=====

* Included in the Group borrowings are the Islamic facilities and Islamic Sukuk bond amounting to RM3,941,449,000.

Borrowings that are denominated in foreign currencies amounting to RM4,583,000,000 are as follows: -

<u>Currency</u>		As at 31.12.2022 <u>RM'million</u>
US Dollar	USD	4,194
Renminbi	RMB	296
Euro	EUR	47
Pound Sterling	GBP	38
Australian Dollar	AUD	8

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

B8. Derivative Financial Instruments

(a) Details of derivative financial instruments

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

	Nominal value RM'000	Fair value assets/(liabilities) RM'000
Commodity swaps		
- Less than 1 year	4,991,978	(66,605)
- 1 year to 3 years	1,065,941	32,926
- More than 3 years	-	-
	----- 6,057,919 =====	----- (33,679) =====
Forward exchange contracts		
- Less than 1 year	3,302,504	(206)
- 1 year to 3 years	4,469,284	78,276
- More than 3 years	7,083,330	237,387
	----- 14,855,118 =====	----- 315,457 =====
Cross currency swaps		
- Less than 1 year	250,000	(11,531)
- 1 year to 3 years	1,250,000	(873)
- More than 3 years	1,050,000	31,179
	----- 2,550,000 =====	----- 18,775 =====

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 FOURTH QUARTER ENDED 31 DECEMBER 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 31.12.2022 RM'000	Current year-to-date 31.12.2022 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	(41,590)	874,799
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	728,655	234,915
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	116,989	9,659

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 fourth interim single tier dividend of 1.75 sen per ordinary share, amounting approximately of RM144,200,000 for the financial year ending 31 December 2022.

The book closure and payment dates for the aforesaid dividend are 13 March 2023 and 31 March 2023 respectively.

B11. Earnings per ordinary share

Basic earnings per share

	4th Quarter		Year-to-date	
	3 months ended		12 months ended	
	31.12.22	31.12.21	31.12.22	31.12.21
Profit attributable to shareholders (RM'000)	272,209	257,253	1,418,204	1,001,885
Weighted average number of ordinary shares ('000)	8,239,618	8,076,220	8,196,643	8,076,220
Basic earnings per share (sen)	3.30	3.19	17.30	12.41

NOTES TO THE QUARTERLY REPORT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2022

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 Year-To-Date RM'000
Interest income	(2,532)	(10,277)
Other income including investment income	-	-
Interest expense	63,564	241,624
Depreciation and amortisation	151,904	576,143
Provision for and write off of trade receivables	-	-
Provision for and write off of inventories	-	-
Gain on disposal of quoted or unquoted investment or properties	(666)	(535)
Impairment of assets	-	-
Realised foreign exchange loss	43,066	43,808
Unrealised foreign exchange gain	(12,598)	(226)
Property, plant and equipment written off	7,076	14,469
(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
 24 February 2023