

Financial Statement

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ANNUAL REPORT



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2000.

Principal Activities

The principal activities of the Company consist of manufacturing and marketing of aluminium products. There have been no significant changes in the nature of these activities during the year.

The principal activities of the subsidiary companies are disclosed in Note 3 to the financial statements. There have been no significant changes in the nature of these activities during the year other than the addition of five subsidiary companies whose principal activities are also stated in Note 3 to the financial statements.

Results

	Group RM'000	Company RM'000
Net profit for the year	12,466	12,025
Retained profit brought forward	49,627	41,390
	<hr/>	<hr/>
Profits available for appropriation	62,093	53,415
Appropriation:		
Dividends:		
Interim – 1.5% per share (tax exempt)	(930)	(930)
Transfer from revaluation reserve	280	280
	<hr/>	<hr/>
Retained profit carried forward	61,443	52,765
	=====	=====

Reserves

There were no material transfers to or from reserves and provisions during the year under review other than as disclosed in the notes to the financial statements.

Dividends

Since the end of the previous financial year, the Company paid:-

- i) a final dividend of 1.5% tax exempt amounting to RM930,233 in respect of the year ended 31 December 1999 on 21 July 2000;
- ii) an interim dividend of 1.5% tax exempt totalling RM930,233 in respect of the year ended 31 December 2000 on 17 November 2000.

The Directors now recommend a final dividend of 1.5% (tax exempt) amounting to RM930,233 in respect of the year ended 31 December 2000.

The payment of the tax exempt dividend is out of tax exempt account pursuant to Schedule 7A of the Income Tax Act, 1967.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

Directors of the company

Directors who served since the date of the last report are:-

Dato' Megat Abdul Rahman bin Megat Ahmad
 Koon Poh Ming
 Dato' Koon Poh Keong
 Kuan Shin
 Mohamad Faiz bin Abdul Hamid
 Yong Chee Hou
 Kuan Poh Fatt
 Koon Poh Weng
 Koon Poh Kong
 Kwan Yun Hong @ Kuan Onn Hing
 Koon Poh Tat (also alternate director to Kuan Poh Fatt)
 Kuan Pek Seng (alternate director to Kuan Shin)

In accordance with the Article 92 of the Articles of Association, Kuan Poh Fatt, Mohamad Faiz bin Abdul Hamid and Yong Chee Hou retire by rotation from the Board at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

The directors holding office at the end of the financial year and having interests in the shares of the Company are as follows:-

	Number of Ordinary Shares of RM1 each			
	Balance at 1.1.2000	Bought	Sold	Balance at 31.12.2000
Direct interest				
Dato' Megat Abdul Rahman bin Megat Ahmad	6,121,482	-	(250,000)	5,871,482
Koon Poh Ming	3,304,530	48,000	(200,000)	3,152,530
Dato' Koon Poh Keong	3,231,642	-	(700,000)	2,531,642
Kuan Shin	3,325,561	-	(300,000)	3,025,561
Mohamad Faiz bin Abdul Hamid	23,733	-	-	23,733
Yong Chee Hou	64,800	20,000	-	84,800
Kuan Poh Fatt	2,293,912	-	-	2,293,912
Koon Poh Weng	1,889,008	-	-	1,889,008
Koon Poh Kong	1,995,199	-	-	1,995,199
Koon Poh Tat	1,431,000	-	-	1,431,000
Kwan Yun Hong @ Kuan Onn Hing	5,345,019	2,000	(100,000)	5,247,019

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

	Number of Ordinary Shares of RM1 each			Balance at 31.12.2000
	Balance at 1.1.2000	Bought	Sold	
Indirect interest				
Dato' Megat Abdul Rahman				
bin Megat Ahmad	41,400	-	-	41,400#
Kuan Shin	3,348,722	-	(9,000)	3,339,722*
Kuan Poh Fatt	234,000	-	-	234,000#
Koon Poh Weng	95,400	-	-	95,400#
Koon Poh Tat	327,587	-	-	327,587#
Kuan Pek Seng	-	3,339,722*	-	3,339,722*
Kwan Yun Hong				
@ Kuan Onn Hing	34,200	-	-	34,200#

Deemed interest in shares held by spouse

* Deemed interested in shares held by virtue of section 6A (4) (c) of the Companies Act, 1965

By virtue of their interests in shares of the Company, they are also deemed to have an interest in the shares of all other subsidiaries of the Company to the extent the Company has an interest.

None of the other director holding office at the end of the financial year held any interest in the shares of the Company or its related companies.

The directors interest in warrants are as follows:-

		Number of Warrants		
	Balance at 1.1.2000	Bought	Sold	Balance at 31.12.2000
Warrants in Press Metal Berhad				
Direct interest				
Dato' Megat Abdul Rahman				
bin Megat Ahmad	2,478,600	-	-	2,478,600
Koon Poh Ming	451,715	-	-	451,715
Dato' Koon Poh Keong	387,721	-	-	387,721
Mohamad Faiz				
bin Abdul Hamid	7,806	-	-	7,806
Kuan Poh Fatt	499,303	-	-	499,303
Koon Poh Weng	624,268	-	-	624,268
Koon Poh Kong	259,200	-	-	259,200
Kwan Yun Hong				
@ Kuan Onn Hing	1,769,400	29,000	(5,000)	1,793,400

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

	Balance at 1.1.2000	Number of Warrants		Balance at 31.12.2000
		Bought	Sold	
Warrants in Press Metal Berhad				
Indirect interest				
Dato' Megat Abdul Rahman				
bin Megat Ahmad	27,000	-	-	27,000##
Kuan Shin	196,919	-	(20,000)	176,919##
Kuan Poh Fatt	288,000	5,000	-	293,000**
Koon Poh Weng	35,397	-	-	35,397**
Koon Poh Kong	95,400	-	-	95,400**
Kuan Pek Seng	-	176,919##	-	176,919##

** Deemed interested in warrants held by spouse

Deemed interested in warrants held by virtue of Section 6A (4) (c) of the Companies Act, 1965.

The options granted to the directors in respect of the acquisition of shares pursuant to the Employees' Share Option Scheme are set out below:-

	Balance at 1.1.2000	Number of options over Ordinary Shares of RM1 each		Balance at 31.12.2000
		Granted	Exercised	
Koon Poh Ming	135,000	-	-	135,000
Dato' Koon Poh Keong	135,000	-	-	135,000
Kuan Poh Fatt	135,000	-	-	135,000
Koon Poh Weng	135,000	-	-	135,000
Koon Poh Kong	135,000	-	-	135,000
Koon Poh Tat	59,400	-	-	59,400

Directors' benefits

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors as shown in the financial statements) by reason of a contract made by the Company or a related company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, other than those disclosed in Note 23 to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares

There were no changes in the issued and paid up capital of the Company during the year.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

Employees' share option scheme

Pursuant to the Employees' Share Option Scheme ("ESOS") which became effective on 26 June 1996, options to subscribe for up to 3,397,000 ordinary shares of the Company are available to eligible employees and directors of the Group.

The salient features of the scheme are as follows:-

- (i) eligible employees are those who have been confirmed in writing as an employee of the Group for at least one (1) year of continuous service before the date of the offer and an eligible director is a full-time executive director of the Group.
- (ii) the option is personal to the grantee and non-assignable.
- (iii) the option price shall be determined by the average of the mean market quotation of the Company's ordinary shares as shown in the Daily Official List issued by the Kuala Lumpur Stock Exchange for the five (5) trading days preceding the respective dates of the offer in writing to the grantee or at par value of the ordinary shares of the Company, whichever is higher.
- (iv) the Options granted may be exercised on any working day between 26 June 1996 and 31 January 2001 upon giving notice in writing to the Company.
- (v) the Options granted may be exercised according to the following scale in respect of a maximum of the following :

Number of Options Granted	Percentage of Options Exercisable				
	Year 1	Year 2	Year 3	Year 4	Year 5
2,407,000	20%	20%	20%	20%	20%
337,000	-	25%	25%	25%	25%

Options exercisable in a particular year but not exercised can be carried forward to the subsequent years subject to the time limit of the scheme.

The outstanding offered options to take up unissued ordinary shares of RM1 each and the option price are as follows :-

Options Over Number of Ordinary Shares of RM1 each

Date of Offer	Adjusted Option Price	Balance at 1.1.2000	Granted	Lapsed due to resignation	Exercised	Balance at 31.12.2000
26.6.96	3.33	3,180,600	-	-	-	3,180,600
31.12.96	3.55	194,400	-	-	-	194,000

There were no further options offered to eligible employees and directors of the Company during the year.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

Other statutory information

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that:-

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) all current assets have been stated at the lower of cost and net realisable value.

At the date of this report, the directors are not aware of any circumstances:-

- i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the Group and in the Company financial statements misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:-

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

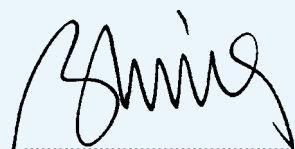
No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due, other than as disclosed in Note 25 to the financial statements.

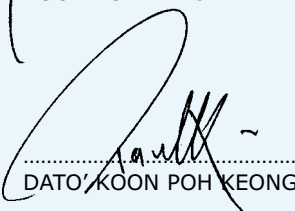
In the opinion of the directors, the results of the operations of the Group and of the Company for the financial year ended 31 December 2000 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed in accordance with a resolution of the Directors:


..... Director
KOON POH MING


..... Director
DATO' KOON POH KEONG

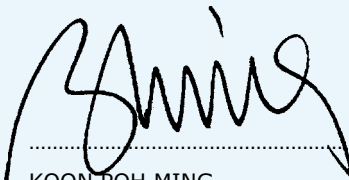
Kuala Lumpur,
Date: 26 April 2001

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, KOON POH MING and DATO' KOON POH KEONG, being two of the directors of PRESS METAL BERHAD state that, in the opinion of the directors, the financial statements set out on pages 33 to 57, are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2000 and of the results of their operations and of their cash flows for the year ended on that date.

Signed in accordance with a resolution of the directors:


..... Director
KOON POH MING•


..... Director
DATO' KOON POH KEONG

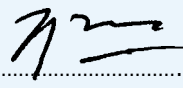
Kuala Lumpur,
Date: 26 April 2001

DECLARATION

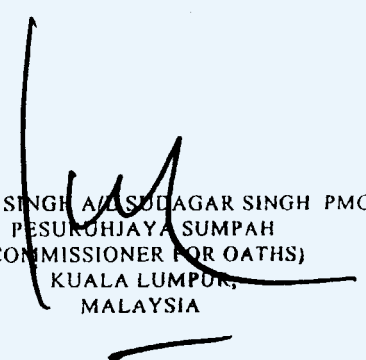
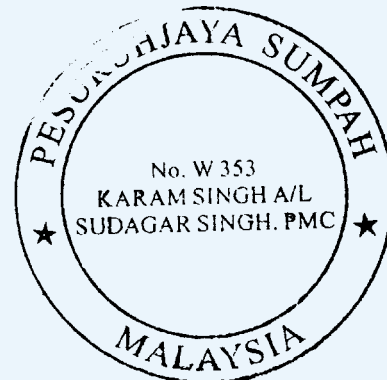
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, LOKE KWONG WAI, the officer primarily responsible for the financial management of PRESS METAL BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 33 to 57 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed
 LOKE KWONG WAI at Kuala Lumpur in the Federal
 Territory on 26 April 2001


 LOKE KWONG WAI

BEFORE ME:


 KARAM SINGH A/L SUDAGAR SINGH PMC
 PESURUHJAYA SUMPAH
 (COMMISSIONER FOR OATHS)
 KUALA LUMPUR,
 MALAYSIA


Lot 64, Bazar, Blok I,
 Pusat Bandar Damansara,
 50490 Kuala Lumpur,
 MALAYSIA.

REPORT OF THE AUDITORS

TO THE MEMBERS OF PRESS METAL BERHAD

We have audited the financial statements set out on pages 33 to 57. The preparation of the financial statements is the responsibility of the Company's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:
 - i) the state of affairs of the Group and of the Company at 31 December 2000 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company;
- and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and the subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

The subsidiaries in respect of which we have not acted as auditors are identified in Note 3 to the financial statements and we have considered their financial statement and the auditors reports thereon.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The audit reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comment made under subsection (3) of Section 174 of the Act.

KPMG
Firm Number: AF 0758
Public Accountants

HEW LEE LAM SENG
Partner
Approval Number: 1862/10/01(J)

Kuala Lumpur,
Date: 26 April 2001

BALANCE SHEETS AT 31 DECEMBER 2000

	Note	Group		Company	
		2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Property, plant and equipment	2	140,197	133,212	100,323	97,960
Investment in subsidiaries	3	-	-	12,563	9,820
Land held for development	4	17,260	17,018	-	-
Goodwill	5	4,057	1,526	-	-
Current assets					
Development work-in-progress	6	4,876	5,006	-	-
Inventories	7	25,602	23,699	10,488	12,224
Trade and other receivables	8	139,035	92,397	118,503	95,055
Cash and cash equivalents	9	5,129	16,425	929	14,004
		174,642	137,527	129,920	121,283
Current liabilities					
Trade and other payables	10	41,671	32,350	12,303	10,644
Hire purchase and finance lease liabilities	11	1,116	1,976	51	948
Borrowings	12	125,897	75,664	100,402	67,613
Taxation		2,766	1,691	401	490
Proposed dividends		-	930	-	930
		171,450	112,611	113,157	80,625
Net current assets		3,192	24,916	16,763	40,658
Deferred expenditure	13	-	278	-	-
		164,706	176,950	129,649	148,438
		=====	=====	=====	=====
Financed by:-					
Capital and reserves					
Share capital	14	62,016	62,016	62,016	62,016
Reserves		61,443	49,907	52,765	41,670
		123,459	111,923	114,781	103,686
Minority shareholders' interests	15	16,926	11,823	-	-
Long term and deferred liabilities					
Hire purchase and finance lease liabilities	11	906	1,068	71	18
Borrowings	12	14,244	44,050	6,247	37,184
Deferred taxation	16	9,171	8,086	8,550	7,550
		24,321	53,204	14,868	44,752
		164,706	176,950	129,649	148,438
		=====	=====	=====	=====

The notes set out on pages 39 to 57 form an integral part of, and, should be read in conjunction with, these financial statements.

INCOME STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

		Group		Company	
	Note	2000	1999	2000	1999
		RM'000	RM'000	RM'000	RM'000
Revenue		309,158	239,817	199,828	172,006
Cost of sales		(257,748)	(203,575)	(174,116)	(151,882)
Gross profit		51,410	36,242	25,712	20,124
Other operating income		2,503	1,341	1,717	7,168
Selling and marketing costs		(3,432)	(2,952)	(1,156)	(1,480)
Administrative expenses		(12,548)	(8,376)	(4,027)	(4,211)
Other operating expenses		(10,115)	(6,750)	(3,355)	(2,044)
Operating profit	17	27,818	19,505	18,891	19,557
Financing costs	18	(7,133)	(6,249)	(5,548)	(4,897)
Profit before tax		20,685	13,256	13,343	14,660
Taxation	19	(4,367)	587	(1,318)	(1,036)
Profit after taxation		16,318	13,843	12,025	13,624
Less: Minority interests		(3,852)	(2,099)	-	-
Net profit for the year		12,466	11,744	12,025	13,624
		=====	=====	=====	=====
Basic earnings per ordinary share (sen)	20	20	19		
		=====	=====		
Diluted earnings per ordinary share (sen)	20	19	18		
		=====	=====		
Dividends per ordinary share (sen)	21	1.5	3.0	1.5	3.0
		=====	=====	=====	=====

The notes set out on pages 39 to 57 form an integral part of, and, should be read in conjunction with, these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2000

<i>Group</i>	<u>Non-distributable</u>				Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profit RM'000	
Balance at 1 January 1999	34,453	15,414	280	51,892	102,039
Net profit for the year	-	-	-	11,744	11,744
Interim dividends					
- 1.5% (tax exempt)	-	-	-	(930)	(930)
Final dividends					
- 1.5% (tax exempt)	-	-	-	(930)	(930)
Increase of share capital/ Bonus issue	27,563	(15,414)	-	(12,149)	-
Balance at 31 December 1999	62,016	-	280	49,627	111,923
Transfer from revaluation reserve to retained profit	-	-	(280)	280	-
	62,016	-	-	49,907	111,923
Net profit for the year	-	-	-	12,466	12,466
Interim dividends					
- 1.5% (tax exempt)	-	-	-	(930)	(930)
Balance at 31 December 2000	62,016	-	-	61,443	123,459
=====					
Company					
Balance at 1 January 1999	34,453	15,414	280	41,775	91,922
Net profit for the year	-	-	-	13,624	13,624
Interim dividends					
- 1.5% (tax exempt)	-	-	-	(930)	(930)
Final dividends					
- 1.5% (tax exempt)	-	-	-	(930)	(930)
Increase of share capital/ Bonus issue	27,563	(15,414)	-	(12,149)	-
Balance at 31 December 1999	62,016	-	280	41,390	103,686
Transfer from revaluation reserve to retained profit	-	-	(280)	280	-
	62,016	-	-	41,670	103,686
Net profit for the year	-	-	-	12,025	12,025
Interim dividends					
- 1.5% (tax exempt)	-	-	-	(930)	(930)
Balance at 31 December 2000	62,016	-	-	52,765	114,781
=====					

Note 14

The notes set out on pages 39 to 57 form an integral part of, and, should be read in conjunction with, these financial statements.

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	20,685	13,256	13,343	14,660
Adjustments for:				
Amortisation of goodwill	341	149	-	-
Bad debts written off	245	-	-	-
Deferred expenditure written off	278	-	-	-
Depreciation	11,352	9,951	8,026	7,191
Interest expense	7,133	5,909	5,548	4,897
Preliminary and pre-operating expenses written off	-	11	-	-
(Gain)/Loss on disposal of property, plant and equipment	(43)	(398)	197	-
Interest income	(1,717)	(139)	(1,717)	(929)
Provision for doubtful debts	68	689	-	-
Provision for doubtful debts written back	(215)	(371)	-	-
Operating profit before working capital changes	38,127	29,057	25,397	25,819
Changes in working capital				
Land held for development	(242)	(663)	-	-
Inventories	(1,903)	(2,733)	1,736	(1,841)
Trade and other receivables	(46,736)	(19,992)	(23,448)	(22,511)
Trade and other payables	9,321	4,917	1,659	2,983
Development work-in-progress	130	984	-	-
Cash (used in)/generated from operations	(1,303)	11,570	5,344	4,450
Taxation paid	(2,207)	(2,730)	(407)	(2,349)
Interest paid	(6,177)	(4,929)	(4,592)	(3,917)
Preliminary and pre-operating expenses incurred	-	(289)	-	-
Net cash (used in)/generated from operating activities	(9,687)	3,622	345	(1,816)

The notes set out on pages 39 to 57 form an integral part of, and, should be read in conjunction with, these financial statements.

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Cash flows from investing activities				
Purchase of property, plant and equipment	(19,215)	(22,471)	(10,599)	(14,293)
Proceeds from disposal of property, plant and equipment	2,021	2,124	163	-
Interest received	1,717	139	1,717	929
Purchase of a subsidiary	-	(67)	-	-
Subscribe for share issued by subsidiaries	-	-	(2,743)	(1,535)
Proceeds from share issued to minority shareholders by subsidiaries	1,251	-	-	-
Purchase of business by a subsidiary	(2,872)	-	-	-
Net cash used in investing activities	<u>(17,098)</u>	<u>(20,275)</u>	<u>(11,462)</u>	<u>(14,899)</u>
Cash flows from financing activities				
Repayment of hire purchase and lease liabilities	(2,122)	(3,915)	(994)	(2,584)
Term loans drawn down	22,907	894	14,000	-
Dividends paid	(1,860)	(1,619)	(1,860)	(1,619)
Repayment of term loans	(3,630)	(1,842)	(2,937)	(1,835)
Interest paid on unsecured bond	(956)	(980)	(956)	(980)
Revolving credit drawn down	-	2,553	-	1,642
Redemption of unsecured bonds	(28,000)	-	(28,000)	-
Repayment of revolving credits	(2,553)	-	(1,642)	-
Net cash used in financing activities	<u>(16,214)</u>	<u>(4,909)</u>	<u>(22,389)</u>	<u>(5,376)</u>
Net decrease in cash and cash equivalents	<u>(42,999)</u>	<u>(21,562)</u>	<u>(33,506)</u>	<u>(22,091)</u>
Cash and cash equivalents at beginning of year	<u>(52,220)</u>	<u>(30,658)</u>	<u>(49,167)</u>	<u>(27,076)</u>
Cash and cash equivalents at end of year	<u>(95,219)</u>	<u>(52,220)</u>	<u>(82,673)</u>	<u>(49,167)</u>
	=====	=====	=====	=====
Cash and cash equivalents comprise:				
Deposits with licensed banks	1,208	13,595	291	13,545
Cash and bank balances	3,921	2,830	638	459
Bank overdrafts	(13,392)	(9,597)	(7,441)	(6,241)
Bills payable	(86,956)	(59,048)	(76,161)	(56,930)
	<u>(95,219)</u>	<u>(52,220)</u>	<u>(82,673)</u>	<u>(49,167)</u>
	=====	=====	=====	=====

The notes set out on pages 39 to 57 form an integral part of, and, should be read in conjunction with, these financial statements.

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

The summary of effects of the acquisition of a subsidiary company in previous year

	RM'000
Property, plant and equipment	96
Inventories	50
Receivables	244
Cash and bank balances	18
Payables	(276)
Hire purchase liabilities	(83)
Minority interest acquired	(9)
Goodwill on acquisition	45
	<hr/>
Purchase consideration	85
Less: Cash acquired	(18)
	<hr/>
	67
	===

Purchase of property, plant and equipment

Included in the additions of property, plant and equipment of the Group during the year of RM20,315,000 (1999 - RM22,713,000) are property, plant and equipment acquired by means of hire purchase of RM1,100,000 (1999 - RM242,000).

Included in the additions of property, plant and equipment of the Company during the year of RM10,749,000 (1999 - RM14,293,000) are property, plant and equipment acquired by means of hire purchase of RM150,000 (1999 - Nil).

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of significant accounting policies

The following accounting policies are adopted by the Group and the Company and are consistent with those adopted in previous years.

(a) Basis of accounting

The financial statements of the Group and of the Company are prepared under the historical cost convention and in compliance with applicable approved accounting standards in Malaysia.

(b) Basis of consolidation

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases. Subsidiaries are consolidated using the acquisition method of accounting.

Under the acquisition method of accounting, the results of subsidiaries and businesses acquired or disposed during the year are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the Group financial statements. The differences between the acquisition costs and the fair values of the subsidiaries' net assets and the businesses acquired are reflected as goodwill or reserve on consolidation as appropriate.

Goodwill is set-off against reserve on consolidation, where available and any excess is amortised to the income statement over 5 to 15 years which is in accordance with generally accepted accounting standards.

Intragroup transactions and balances and the resulting unrealised profits are eliminated on consolidation. Unrealised losses resulting from intragroup transactions are also eliminated unless cost cannot be recovered.

(c) Property, plant and equipment

i) *Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation.

The carrying amounts of property, plant and equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it will be charged to equity. Any subsequent increase in recoverable amount is reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred.

ii) *Assets under hire purchase*

Property, plant and equipment financed by hire purchase agreements are capitalised at cost. The interest element of the hire purchase instalments is charged to income statement over the period of the agreement and accounted for on a sum of digits method.

NOTES TO THE FINANCIAL STATEMENTS

iii) Leased assets

Leases in which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance leases are stated at an amounts equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses.

In calculating the present value of the minimum lease payments, the discount rate is the interest rate implicit in the lease, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. The interest element of rental obligation is charged to income statement during the lease terms so as to produce a constant periodic rate of interest on the remaining lease obligations.

(d) Depreciation

Freehold land and construction-in-progress are not depreciated.

Long term leasehold land is amortised over the unexpired lease period of the leasehold land. Other property, plant and equipment are depreciated on a straight line basis to write off the cost of property, plant and equipment over the term of their estimated useful lives.

The principal annual rates of depreciation are as follows:-

Leasehold land	Over unexpired period of lease
Leasehold building	2%
Freehold building	2%
Plant and machinery	4% - 20%
Office equipment	10%
Motor vehicles	10% - 20%
Furniture and fittings	10%
Moulds and dies	10%

(e) Investment in Subsidiaries

Investment in subsidiaries are stated at cost and provision for diminution in value is made where the directors consider there is a permanent diminution in value of the investment.

(f) Land held for development

Land held for development consists of land which is stated at cost and other development expenditure in developing the land for its intended use or sale.

Land held for development is classified as current assets when there is an intention for resale within the short term, and the land is stated at the lower of cost and market value.

(g) Development work-in-progress

Development work-in-progress consists of land under development, related development expenditure in developing the property for its intended use or sale and profit attributable to development work performed to date less provision for foreseeable loss and applicable progress billings. Land is stated at cost except for those classified as current assets, are stated at the lower of cost and market value.

Development work-in-progress (including land cost) is stated as current assets when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

Where the estimated future revenue realisable are lower than the carrying value of the property development project, a provision for the difference is made to reduce the carrying value of the project. Anticipated losses are provided for in full.

NOTES TO THE FINANCIAL STATEMENTS

(h) Inventories

Inventories are valued at the lower of cost determined on the first-in-first-out basis and net realisable value.

The cost of finished goods and work-in-progress include cost of material, direct labour and an appropriate proportion of production overheads.

The cost of raw materials and trading goods comprise the original cost of purchase and all direct expenses incurred in bringing the inventories to their present location and condition.

(i) Trade receivables

Trade receivables are carried at anticipated realisable value. Bad debts are written off in the year in which they are identified. A provision is made for doubtful debts based on a review of all outstanding amounts at the year end.

(j) Gross amount due from contract customers

Gross amount due from contract customers comprises direct cost and related overheads incurred on uncompleted contracts plus attributable profits less progress billings and provision for foreseeable losses. Any excess of progress billings over gross amount due from contract customers is reflected as current liabilities in the financial statements.

(k) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances and deposits with licensed banks net of short term borrowings which are readily convertible to cash with insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents, are presented net of bank overdrafts and bills payable.

(l) Deferred expenditure

Deferred expenditure in the previous year consists of preliminary and pre-operating expenditure which are stated at cost. These expenditure have been written off during the financial year.

(m) Revenue

Revenue of the Group represents invoiced value of goods sold and services rendered less returns and discounts, the proportionate sales value of development properties sold attributable to the percentage of development work completed during the year, and billings on contracts which are recognised on the percentage of completion method based on the work performed.

Revenue of the Company represents invoiced value of goods sold and services rendered less returns and discounts.

(n) Income recognition

Income from sale of goods and services rendered are recognised in the income statement when the significant risk and rewards of ownership have been transferred to the buyer.

Interest income is recognised in the income statement on an accrual basis.

Profit on sales of units within phases of property development and income from construction contracts are recognised on the percentage of completion method, where the outcome of the contracts can be reliably estimated. For construction contracts only, where the outcome cannot be reliably estimated, revenue is recognised only to

NOTES TO THE FINANCIAL STATEMENTS

the extent of contract costs incurred that is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred. In all cases, foreseeable losses are provided for in full.

(o) Financing costs

Financing costs comprise interest payable on borrowings, hire purchase and finance lease.

Interest cost incurred on specific and identifiable borrowings to acquire land held for development and on the construction of development properties which require a period of time to get them ready for their sale are capitalised and included as part of the cost of the related assets.

Capitalisation on borrowing cost will cease when assets are ready for their intended use.

(p) Taxation

The tax expense in the income statement represents taxation at current tax rates based on profit earned during the year.

Deferred taxation is provided on the liability method for all timing differences except where no liability is expected to arise in the foreseeable future and there are no indications the timing differences will reverse thereafter. Deferred tax benefits are only recognised where there is a reasonable expectation of realisation in the near future.

(q) Foreign Currency Translation**i) Transactions in Foreign Currencies**

Transactions in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Ringgit Malaysia at the foreign exchange rates ruling at the date of the transactions.

ii) Translation of Foreign Currency Financial Statements

Non monetary assets and liabilities of foreign subsidiaries are translated into Ringgit Malaysia at the historical rates of exchange ruling at the transaction date. Monetary assets and liabilities of foreign subsidiaries are translated into Ringgit Malaysia at the approximate rates of exchange ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at the average rates of exchange prevailing during the financial year. The translation differences arising from the translation, if any, are dealt with in the income statement.

The closing rates used in translation are as follows:-

GBP	RM5.66
AUD	RM2.12
HKD	RM0.49
SGD	RM2.16
TAKA	RM0.07

NOTES TO THE FINANCIAL STATEMENTS

2. Property, plant and equipment

Group	Freehold land RM'000	Freehold building RM'000	Long term leasehold land and building RM'000	Plant and machinery RM'000	Office equipment RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Moulds and dies RM'000	Construction in-progress RM'000	Total RM'000
Cost										
At 1 January 2000	7,816	18,685	8,611	90,263	6,385	8,246	2,418	24,166	4,735	171,325
Additions	-	712	30	7,772	1,234	1,103	218	3,062	6,184	20,315
Disposals	-	-	(1,534)	-	-	(713)	-	-	-	(2,247)
Transfer	-	-	-	6,764	-	-	-	-	(6,764)	-
At 31 December 2000	7,816	19,397	7,107	104,799	7,619	8,636	2,636	27,228	4,155	189,393
Depreciation										
At 1 January 2000	-	1,423	294	20,359	2,602	3,317	1,006	9,112	-	38,113
Charge for the year	-	350	124	6,160	825	1,150	181	2,562	-	11,352
Disposals	-	-	(20)	-	-	(249)	-	-	-	(269)
At 31 December 2000	-	1,773	398	26,519	3,427	4,218	1,187	11,674	-	49,196
Net book value										
At 31 December 2000	7,816	17,624	6,709	78,280	4,192	4,418	1,449	15,554	4,155	140,197
At 31 December 1999	7,816	17,262	8,317	69,904	3,783	4,929	1,412	15,054	4,735	133,212
Depreciation charge for the year ended 31 December 1999	-	319	114	5,419	689	987	215	2,208	-	9,951

NOTES TO THE FINANCIAL STATEMENTS

Company	Freehold land RM'000	Freehold building RM'000	Plant and machinery RM'000	Office equipment RM'000	Motor vehicles RM'000	Furniture and fittings RM'000	Moulds and dies RM'000	Total RM'000
Cost								
At 1 January 2000	5,910	10,703	78,199	4,518	2,806	503	24,166	126,805
Additions	-	682	6,032	647	288	38	3,062	10,749
Disposal	-	-	-	-	(569)	-	-	(569)
At 31 December 2000	5,910	11,385	84,231	5,165	2,525	541	27,228	136,985
Depreciation								
At 1 January 2000	-	990	15,865	1,764	961	156	9,109	28,845
Charge for the year	-	223	4,431	488	288	34	2,562	8,026
Disposal	-	-	-	-	(209)	-	-	(209)
At 31 December 2000	-	1,213	20,296	2,252	1,040	190	11,671	36,662
Net book value								
At 31 December 2000	5,910	10,172	63,935	2,913	1,485	351	15,557	100,323
At 31 December 1999	5,910	9,713	62,334	2,754	1,845	347	15,057	97,960
Depreciation charge for the year ended 31 December 1999	-	192	4,073	412	278	29	2,207	7,191

NOTES TO THE FINANCIAL STATEMENTS

Certain property, plant and equipment of the Group costing RM12,743,000 (1999 – RM6,700,000) have been pledged as securities for loan facilities as set out in Note 12 to the financial statements.

Property, plant and equipment acquired under finance lease and hire purchase arrangements which are included in the above are as follows:-

Group	Net book value	
	2000	1999
	RM'000	RM'000
Finance lease: Office equipment/Plant and machinery	20	19
	=====	=====
Hire purchase: Plant and machinery	6,344	6,657
Motor vehicles	3,284	3,852
	9,628	10,509
	=====	=====
Company		
Hire purchase: Plant and machinery	5,199	5,577
Motor vehicles	1,133	1,394
	6,332	6,971
	=====	=====

3. Investment in subsidiaries

	Company	
	2000	1999
	RM'000	RM'000
Unquoted shares, at cost	12,563	9,820
	=====	=====

Details of the subsidiaries are as follows:-

Name	Country of incorporation	Principal activities	Effective percentage of ownership	
			2000	1999
Angkasa Jasa Sdn. Bhd.	Malaysia	Contracting and fabrication of aluminium and stainless steel products	100%	100%
PMB Development Sdn. Bhd.	Malaysia	Property development and building and contracting of construction work	100%	100%
and its subsidiary PMB Spectrum Sdn. Bhd.	Malaysia	Development of Industrial Parks with common waste water treatment plant facilities and other development projects	60%	60%
PMB Recycling Management Sdn. Bhd.*	Malaysia	Recycling of waste, operation, maintenance and construction of waste recycling projects, and trading of waste treatment and recycling equipment	100%	100%

NOTES TO THE FINANCIAL STATEMENTS

Name	Country of incorporation	Principal activities	Effective percentage of ownership	
			2000	1999
Wesama Sdn. Bhd.	Malaysia	Provision of general drafting services and construction project management	100%	100%
PMB Smelting Sdn. Bhd.*	Malaysia	Dormant	100%	100%
Press Metal UK Limited*	United Kingdom	Dormant	100%	100%
BI-PMB Waste Management Sdn. Bhd.	Malaysia	Provision of a common waste water treatment plant to treat toxic waste	80%	80%
Press Metal Aluminium (Australia) Pty. Ltd*	Australia	Marketing, retailing and trading of aluminium related materials	70%	70%
Everlast Aluminium (M) Sdn. Bhd.	Malaysia	Marketing of aluminium and other products	61.57%	61.57%
and its subsidiaries Everlast Environmental Management Sdn. Bhd.	Malaysia	Dormant	61.57%	61.57%
Everlast Gypsum & Building Materials (M) Sdn. Bhd.*	Malaysia	Marketing of gypsum board and other products	61.57%	61.57%
Everlast Alumunium (Sg. Petani) Sdn. Bhd.	Malaysia	Marketing of aluminium and other products	61.57%	61.57%
Everlast Access Technologies Sdn. Bhd.*	Malaysia	Manufacturing and marketing of aluminium and other products	61.57%	61.57%
Kuantan Gypsum Board Sdn. Bhd.*	Malaysia	Marketing of gypsum boards and other products	49.26%	49.26%
Everlast Marketing Sdn. Bhd.*	Malaysia	Marketing of aluminium and other products	49.26%	-

NOTES TO THE FINANCIAL STATEMENTS

Name	Country of incorporation	Principal activities	Effective percentage of ownership	
			2000	1999
PMB Envirex Environmental Engineering Sdn. Bhd.	Malaysia	Carries out environmental engineering projects including construction, turnkey and build, operate and transfer of contracts	55%	55%
PMB Facade Technology Sdn. Bhd.	Malaysia	Design, fabrication and installation of aluminium curtain wall, cladding system and manufacturing and trading of aluminium related products	51%	51%
and its subsidiary PMB Facade Technology (H.K.) Limited*	Hong Kong	Design, fabrication and installation of aluminium curtain wall, cladding system and other products	51%	51%
Unison International (H.K.) Limited*	Hong Kong	Dormant	30.6%	-
PMB-Cyberwall Limited*	Hong Kong	Design, fabrication and installation of aluminium curtain wall, cladding system and other products, trading and computer related businesses	35.7%	-
PMB Façade Technology (S) Pte Ltd*	Singapore	Supplying, installing and fixing all kinds of furnishing and fixtures and to provide interior decorating consultancy services	35.7%	-
Kai PMB Façade Technology Limited *#	Bangladesh	Supplying, manufacturing, fabricating and installing structural glazing and ventilated thermal flow aluminium cladding in buildings	26.0%	-

* Audited by other firms of accountants.

Consolidated based on management financial statements.

NOTES TO THE FINANCIAL STATEMENTS

4. Land held for development

	Group	
	2000	1999
	RM'000	RM'000
Leasehold land - at cost	11,386	11,386
Development expenditure	5,874	5,632
	<u>17,260</u>	<u>17,018</u>
	=====	=====

Included in development expenditure is interest expense incurred for the year of RM110,252 (1999 - RM173,922).

The subsidiary company intends to develop an industrial park with common waste water treatment plant facilities on the leasehold land.

5. Goodwill

	Group	
	2000	1999
	RM'000	RM'000
Balance at 1 January	1,526	1,630
Arising from acquisition of a subsidiary	-	45
Arising from acquisition of business by a subsidiary	2,872	-
	<u>4,398</u>	<u>1,675</u>
Amortisation	(341)	(149)
Balance at 31 December	<u>4,057</u>	<u>1,526</u>
	=====	=====

6. Development work-in-progress

	Group	
	2000	1999
	RM'000	RM'000
At cost		
Freehold land	6,801	6,801
Leasehold land	6,879	6,879
Development expenditure	22,378	18,477
	<u>36,058</u>	<u>32,157</u>
Profit attributable to development work performed to date	2,765	1,874
	<u>38,823</u>	<u>34,031</u>
Less: Progress billings	(33,947)	(29,025)
	<u>4,876</u>	<u>5,006</u>
	=====	=====

Included in development expenditure is interest expense incurred during the year amounting to RM57,101 (1999 - RM89,596).

NOTES TO THE FINANCIAL STATEMENTS

7. Inventories

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Raw materials	9,169	10,430	5,796	7,916
Work-in-progress	1,425	1,012	615	1,012
Finished goods	4,266	3,339	4,077	3,296
Trading goods	10,742	8,918	-	-
	<u>25,602</u>	<u>23,699</u>	<u>10,488</u>	<u>12,224</u>
	=====	=====	=====	=====

8. Trade and other receivables

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Trade debtors	124,814	85,762	69,101	49,398
Retention sums	1,816	3,146	-	-
	<u>126,630</u>	<u>88,908</u>	<u>69,101</u>	<u>49,398</u>
Less: Provision for doubtful debts	(6,454)	(6,601)	(3,500)	(3,500)
	<u>120,176</u>	<u>82,307</u>	<u>65,601</u>	<u>45,898</u>
Gross amount due from contract customers	9,339	4,987	-	-
Subsidiaries	-	-	49,151	47,004
Other debtors, deposits and prepayments	9,520	5,103	3,751	2,153
	<u>139,035</u>	<u>92,397</u>	<u>118,503</u>	<u>95,055</u>
	=====	=====	=====	=====

Gross amount due from contract customers

	Company	
	2000	1999
	RM'000	RM'000
Cost incurred to date	52,552	20,158
Attributable profit	13,352	6,495
	<u>65,904</u>	<u>26,653</u>
Less: Progress billings	(56,565)	(21,666)
Gross amount due from contract customers	<u>9,339</u>	<u>4,987</u>
	=====	=====

The amount due from/(to) subsidiaries are unsecured, interest free and have no fixed terms of repayment except for an amount due from a subsidiary amounting to RM9,138,799 in previous year which carried interest at 9% per annum. This amount was fully repaid during the year.

NOTES TO THE FINANCIAL STATEMENTS

9. Cash and cash equivalents

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	1,208	13,595	291	13,545
Cash and bank balances	3,921	2,830	638	459
	<u>5,129</u>	<u>16,425</u>	<u>929</u>	<u>14,004</u>
	=====	=====	=====	=====

Included in fixed deposits of the Group and of the Company in previous year was an amount of RM13,545,000 placed with a licensed bank as sinking fund set aside for the purpose of the redemption of unsecured bonds. The unsecured bonds were redeemed on 21 December 2000.

10. Trade and other payables

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Trade payables	23,892	15,824	6,331	5,307
Other creditors and accruals	17,779	16,526	4,602	4,826
Subsidiaries	-	-	1,370	511
	<u>41,671</u>	<u>32,350</u>	<u>12,303</u>	<u>10,644</u>
	=====	=====	=====	=====

Included in other creditors and accruals of the Company is an amount owing to director of RM35,000 (1999 - Nil). This amount is unsecured, interest free and has no fixed terms of repayment.

Included in other creditors and accruals of the Group are amount owing to directors and a shareholder of a subsidiary of RM41,000 (1999 - RM6,000) and RM84,000 (1999 - RM209,000) respectively. These amounts are unsecured, interest free and have no fixed terms of repayments.

11. Hire purchase and finance lease liabilities

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Hire purchase creditors	2,518	3,795	153	1,124
Lease creditors	17	23	-	-
Less: Interest-in-suspense	(513)	(774)	(31)	(158)
	<u>2,022</u>	<u>3,044</u>	<u>122</u>	<u>966</u>
	=====	=====	=====	=====
Payable within one year				
Hire purchase creditors	1,107	1,970	51	948
Lease creditors	9	6	-	-
	<u>1,116</u>	<u>1,976</u>	<u>51</u>	<u>948</u>
	=====	=====	=====	=====
Payable between two to five years				
Hire purchase creditors	900	1,056	71	18
Lease creditors	6	12	-	-
	<u>906</u>	<u>1,068</u>	<u>71</u>	<u>18</u>
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

12. Borrowings

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Current				
Bills payable (unsecured)	86,956	59,048	76,161	56,930
Bank overdrafts (unsecured)	13,392	9,597	7,441	6,241
Revolving credit (unsecured)	-	2,553	-	1,642
Term loans	25,549	4,466	16,800	2,800
	<u>125,897</u>	<u>75,664</u>	<u>100,402</u>	<u>67,613</u>
	=====	=====	=====	=====
Non-current				
3.5% Redeemable Bank Guaranteed				
Unsecured Bonds	-	28,000	-	28,000
Term loans	14,244	16,050	6,247	9,184
	<u>14,244</u>	<u>44,050</u>	<u>6,247</u>	<u>37,184</u>
	=====	=====	=====	=====

Bills payable and bank overdrafts

The bills payable and bank overdrafts bear interest at rates ranging from 3.1% to 8.3% (1999 - 4.0% to 8.5%) per annum.

Revolving credit

The revolving credit in previous year carried interest at rates ranging from 4.0% to 8.5% per annum.

Unsecured bonds

Pursuant to a trust deed dated 13 December 1995, the Company issued RM28,000,000 nominal amount of 3.5% Redeemable Bank Guaranteed Unsecured Bond 1995/2000 together with 11,326,000 detachable warrants exercisable into 11,326,000 new ordinary shares of RM1.00 each in Press Metal Berhad. The Bonds bear interest at a rate of 3.5% per annum payable annually in arrears to registered holders on 31 December and shall be redeemed by the Company at par on the maturity date at 100% of the nominal value together with the interest accrued to the date of redemption. The unsecured bonds were fully redeemed on 21 December 2000.

In 1999, the Company had obtained approval from the shareholders at an Extraordinary General Meeting and the Securities Commission ("SC") to extend the duration and exercise period of outstanding warrants by an additional five years and six months up to and including 21 December 2005.

Term loans

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Loan 1	7,140	9,180	7,140	9,180
Loan 2	1,907	2,804	1,907	2,804
Bridging loan	20,083	3,707	14,000	-
Loans of subsidiary companies	10,663	4,825	-	-
	<u>39,793</u>	<u>20,516</u>	<u>23,047</u>	<u>11,984</u>
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Repayable within one year	25,549	4,466	16,800	2,800
Repayable between two to five years	12,244	15,468	6,247	9,184
Repayable after five years	2,000	582	-	-
	14,244	16,050	6,247	9,184
	39,793	20,516	23,047	11,984
	=====	=====	=====	=====

Loan 1 is secured by debenture and negative pledge on all the current and future assets of the Company and bears interest at 10% (1999 - 10%) per annum. The loan is repayable by 60 monthly instalments commencing in July 1999.

Loan 2 is unsecured and bears interest at 0.75% (1999 - 0.75%) per annum above the bank's base lending rate. The loan is repayable by 60 monthly instalments commencing in October 1998.

The bridging loan of the Company is unsecured and bears interest at 1.5% per annum over the bank's base lending rate.

The bridging loans of a subsidiary company amounting to RM2,207,000 (1999 - RM3,707,000) and RM3,876,000 (1999 - Nil) are secured by corporate guarantee of the Company and bears interest at 1.5% (1999 - 1.5%) per annum over the bank's cost of fund and 1.5% (1999 - Nil) per annum over the bank's base lending rate respectively.

Term loans of subsidiary companies consist of the following:

- (i) Loans amounting to RM3,880,000 (1999 - RM3,938,000) are secured by a corporate guarantee of the Company and charges over the subsidiary's machinery and equipment and another subsidiary's freehold land. The loans bear interest ranging from 7% to 9% (1999 - 7% to 9%) per annum and repayable by quarterly instalments commencing in November 2000.
- (ii) Loan amounting to RM173,000 (1999 - RM194,000) is secured by a corporate guarantee of the Company and charges over the subsidiary's leasehold land. The loan bears interest at 1.75% per annum above the bank's base lending rate and repayable by 120 instalments commencing in July 2000.
- (iii) Loan amounting to RM5,263,000 (1999 - Nil) is secured by a corporate guarantee of Company and registered first debenture over the fixed and floating assets of the subsidiary. The loan bears interest ranging 8% to 9.8% per annum and repayable by 60 equal instalments of RM101,400 each commencing 30 January 2001.
- (iv) Loan amounting to RM1,347,000 (1999 - Nil) is secured by a corporate guarantee of Company. The loan bears interest at 6.5% per annum and repayable in equal monthly instalments over 3 years commencing 1 September 2000.
- (v) Loan amounting to RM693,000 in previous year, which was secured by a corporate guarantee of the Company and charges over the subsidiary's leasehold land and building and carried interest at 1.5% per annum above the bank's base lending rate, was fully paid during the year.

NOTES TO THE FINANCIAL STATEMENTS

13. Deferred expenditure

Included in deferred expenditure of previous year was audit fee of RM2,500.

14. Share capital

	Group and Company	
	2000	1999
	RM'000	RM'000
Ordinary shares of RM1 each:		
Authorised		
At 1 January	500,000	50,000
Increase during the year	-	450,000
At 31 December	500,000	500,000
	=====	=====
Issued and fully paid		
At 1 January	62,016	34,453
Bonus issue during the year	-	27,563
At 31 December	62,016	62,016
	=====	=====

15. Minority shareholders' interests

This consists of minority shareholders' proportion of share capital and reserves of subsidiaries, net of their share of subsidiary's goodwill on consolidation and amortisation of goodwill charged to the minority shareholders.

16. Deferred taxation

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Balance at 1 January	8,086	8,267	7,550	7,550
Transfer from/ (to) income statement (Note 19)	1,085	(181)	1,000	-
Balance at 31 December	9,171	8,086	8,550	7,550
	=====	=====	=====	=====

17. Operating profit

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
After charging:-				
Amortisation of goodwill	341	149	-	-
Audit fees				
- current year	145	74	21	20
- overprovision in prior year	(2)	-	-	-
Bad debts written off	245	-	-	-
Consultancy fees payable to a director	36	36	36	36
Depreciation	11,352	9,951	8,026	7,191
Directors' remuneration				
- fees	122	125	114	113
- other emoluments	1,458	985	491	383
- benefits-in-kind	82	48	17	17
Deferred expenditure written off	278	-	-	-
Foreign exchange loss (realised)	796	18	789	-

NOTES TO THE FINANCIAL STATEMENTS

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Loss on disposal of property, plant and equipment	202	84	197	-
Preliminary and pre-operating expenses written off	-	11	-	-
Provision for doubtful debts	68	689	-	-
Rental of equipment and machinery	835	213	248	133
Rental of motor vehicles	-	-	71	47
Rental of premises	596	418	165	251
	=====	=====	=====	=====
and crediting:-				
Dividend income from a subsidiary company	-	-	-	5,638
Bad debts recovered	-	23	-	-
Gain on disposal of property, plant and equipment	245	482	-	-
Rental income	135	70	37	21
Provision for doubtful debts written back	215	371	-	-
Interest income - fixed deposits	1,717	139	1,717	107
- subsidiary company	-	-	-	822
	=====	=====	=====	=====

18. Financing costs

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Interest payable				
Term loans	1,560	1,598	1,040	1,266
Bills payable	3,217	1,777	2,640	1,629
Hire purchase	476	434	156	410
Unsecured bonds	956	980	956	980
Bank overdrafts	479	633	368	355
Finance leases	2	324	-	-
Others	443	503	388	257
	7,133	6,249	5,548	4,897
	=====	=====	=====	=====

19. Taxation

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Current year's taxation				
In respect of the profit for the year	3,282	114	318	838
(Over)/Underprovision in respect of prior year	-	(520)	-	198
	3,282	(406)	318	1,036
	=====	=====	=====	=====
Deferred taxation				
Transfer to / (from) deferred taxation (Note 16)	1,085	(181)	1,000	-
	4,367	(587)	1,318	1,036
	=====	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

The effective tax rate of the Group and the Company for the year is lower than the prima facie tax rate due to utilisation of reinvestment allowances of approximately RM2,594,000 subject to agreement with the Inland Revenue Board.

No provision for taxation is made in previous year in view of the tax waiver in 1999 (except for dividend income) pursuant to the Income Tax (Amendment) Act 1999.

Subject to agreement with the Inland Revenue Board, the Company has tax exempt account under Schedule 7A, Para 5, Income Tax Act, 1967 amounting to approximately RM30,435,000 (1999 - RM29,610,000) available to frank the payment of tax exempt dividends.

In addition, the Company has tax credit under Section 108 of the Income Tax Act, 1967 to frank the payment of RM4,733,000 (1999 - RM7,275,000) as dividends out of all its retained profit as at 31 December 2000 without attracting additional tax liability.

20. Earnings per share***Basic earnings per share***

Basic earnings per share is calculated based on profit after taxation and minority interest of RM12,466,000 (1999 - RM11,744,000) divided by the weighted average number of ordinary shares of 62,016,000 (1999 - 62,016,000).

Weighted average number of ordinary shares

	2000 RM'000	1999 RM'000
Issued ordinary shares at beginning of the year	62,016	34,453
Effect of bonus issue	-	27,563
Weighted average number of ordinary shares	<u>62,016</u>	<u>62,016</u>
	=====	=====

Diluted earnings per share

The calculation of diluted earnings per share is based on the net profit attributable to ordinary shareholders of RM12,466,000 (1999 - RM11,744,000) and the weighted average number of ordinary shares outstanding during the year of 65,734,000 (1999 - 67,009,000) calculated as follows:

Weighted average number of ordinary shares (diluted)

	2000 RM'000	1999 RM'000
Issued ordinary shares at beginning of the year	62,016	62,016
Effect of conversion of warrants	3,718	4,993
Weighted average number of ordinary shares (diluted)	<u>65,734</u>	<u>67,009</u>
	=====	=====

The diluted earnings per share in 1999 have been restated to comply with the requirements as illustrated in MASB 13.

	As previously reported	As restated
Diluted earnings per share	18 sen	15 sen
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS

21. Dividends

	Group and Company	
	2000	1999
	RM'000	RM'000
Ordinary shares		
Interim:		
1.5% tax exempt per share paid on 17 November 2000	930	930
(1999 - 1.5% tax exempt)		
Final proposed:		
Nil (1999 - 1.5% tax exempt)	-	930
	<u>930</u>	<u>1,860</u>
	=====	=====

The Directors now recommend a final dividend of 1.5% (tax exempt) amounting to RM930,233 in respect of the year ended 31 December 2000.

22. Employees information

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Staff costs	17,098	13,381	9,165	9,061
	=====	=====	=====	=====

The number of employees of the Group and the Company at the end of the year was 687 (1999 - 618) and 402 (1999 - 436) respectively.

23. Significant related party transactions

	Group		Company	
	2000	1999	2000	1999
	RM'000	RM'000	RM'000	RM'000
Sales to subsidiary companies	-	-	25,916	17,329
Sales to directors' related companies	6,041	826	5,988	787
Dividend receivable from				
a subsidiary company	-	-	-	4,800
Purchases from subsidiary companies	-	-	542	414
Purchases from directors' related companies	1,284	1,118	-	-
Consultancy fees payable to a director	36	36	36	36
Rental payable to subsidiary companies	-	-	21	78
Rental receivable from subsidiary companies	-	-	44	-
Interest receivable from a				
subsidiary company	-	-	-	822
	=====	=====	=====	=====

The directors of the Group and the Company are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

NOTES TO THE FINANCIAL STATEMENTS

24. Segmental information

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

	Turnover		Profit before taxation		Total assets employed	
	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000	2000 RM'000	1999 RM'000
Manufacturing	303,661	238,148	21,249	14,379	305,019	258,413
Property development	5,497	1,669	(564)	(1,123)	31,137	30,870
	<u>309,158</u>	<u>239,817</u>	<u>20,685</u>	<u>13,256</u>	<u>336,156</u>	<u>289,283</u>
	=====	=====	=====	=====	=====	=====

Segmental reporting is not disclosed by geographical regions due to the insignificant amounts involved.

25. Contingent liabilities - unsecured

	Company	
	2000 RM'000	1999 RM'000
i) Guarantees given to financial institutions for facilities granted to subsidiary companies	34,860	27,372
	=====	=====
ii) Certain customers of PMB Development Sdn. Bhd. ("PMBD"), a subsidiary of the Company, have filed legal suits to recover approximately RM542,000 (1999 - RM542,000) from PMBD for breach of a term in the sales and purchase agreements.		

Based on legal opinion obtained, the directors believe that PMBD has a good defence and accordingly, no provision for loss has been made in the accounts.

26. Capital commitment

	Group	
	2000 RM'000	1999 RM'000
Approved and contracted for	231	4,940
	=====	=====

27. Comparative figures

Following the adoption of MASB Standards in the preparation of this set of financial statements, the presentation and classification of certain items in the financial statements have been amended. Accordingly, comparative amounts for those items have been reclassified to ensure comparability with the current financial year.

LIST OF TOP 20 SHAREHOLDERS/DEPOSITORS

AS AT 23 APRIL 2001

		No. of Shares	% of Issued Capital
1	BOC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DATO' MEGAT ABDUL RAHMAN BIN MEGAT AHMAD	4,017,970	6.4790
2	KWAN YUN HONG @ KUAN ONN HING	3,357,019	5.4132
3	DOITBEST HOLDINGS SDN BHD	3,339,722	5.3853
4	KOON POH MING	3,252,530	5.2447
5	OUB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KUAN SHIN	2,286,000	3.6862
6	KUAN POH FATT	2,193,912	3.5377
7	KWAN CHIN HING	2,082,960	3.3588
8	OUB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KWAN YUN HONG	1,890,000	3.0476
9	KOON POH WENG	1,889,008	3.0460
10	DATO' MEGAT ABDUL RAHMAN BIN MEGAT AHMAD	1,851,512	2.9856
11	KOON POH KONG	1,375,199	2.2175
12	KOON POH TAT	1,316,400	2.1227
13	HONG LEONG FINANCE BERHAD PLEDGED SECURITIES ACCOUNT FOR KOON POH KEONG	1,300,000	2.0962
14	MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOON PUI LAN	1,287,200	2.0756
15	OUB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KWAN CHIN HING	1,143,000	1.8431
16	ONG SOW MEI	1,098,971	1.7721
17	MAYBAN SECURITIES NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH KWI YONG	809,000	1.3045
18	CHAN POH LENG	745,000	1.2013
19	KUAN SHIN @ KUAN NYONG HIN	739,561	1.1925
20	KOON POH KEONG	661,042	1.0659
	TOTAL	<u>36,636,006</u> =====	<u>59.0755</u> =====

ANALYSIS BY SIZE OF SHAREHOLDINGS

AS AT 23 APRIL 2001

Authorised Share Capital	:	RM500,000,000
Issued and Paid-Up Share Capital	:	RM62,015,555
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One vote per share

Size of Shareholdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares held	% of Issued Capital
1 - 499	27	0.6627	7,427	0.0120
500 - 5,000	3,112	76.3869	7,044,865	11.3598
5,001 - 10,000	577	14.1630	4,542,234	7.3244
10,001 - 100,000	313	7.6829	7,980,523	12.8686
100,001 - 1,000,000	29	0.7118	8,759,103	14.1240
Above 1,000,000	16	0.3927	33,681,403	54.3112
TOTAL	4,074	100.0000	62,015,555	100.0000

SUBSTANTIAL SHAREHOLDERS AS AT 23 APRIL 2001

	% of Issued Capital	No. of Shares
Kuan Shin	6,365,283*	10.2640
Tan Kim Hiok	6,365,283#	10.2640
Dato' Megat Abdul Rahman Bin Megat Ahmad	5,912,882*	9.5345
Kwan Yun Hong @ Kuan Onn Hing	5,281,219*	8.5160
Doitbest Holdings Sdn Bhd	3,339,722	5.3853
Kuan Pek Seng	3,339,722#	5.3853
Kwan Chin Hing	3,225,960	5.2019
Koon Poh Ming	3,152,530	5.0835
Dato' Koon Poh Keong	2,531,642	4.0823
Kuan Poh Fatt	2,527,912*	4.0763
Koon Poh Kong	1,995,199	3.2173
Koon Poh Weng	1,984,408*	3.1999
Koon Poh Tat	1,758,587*	2.8357

Notes:

* Includes deemed interest in the shares held by virtue of Section 6A(4) of the Companies Act, 1965.

Deemed interest in the shares held by virtue of Section 6A(4) of the Companies Act, 1965.

LIST OF PROPERTIES HELD BY THE GROUP

AS AT 31 DECEMBER 2000

Proprietor	Location	Description /Age (Years)	Existing use	Tenure	Area sq. ft.	Net Book Value as at 12/31/00 RM'000
Press Metal Berhad	Lot 6464, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Freehold land & building 7 years	Factory cum office	Freehold	217,800	9,244
Press Metal Berhad	Lot 6486, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Freehold land 7 years	Factory	Freehold	417,348	3,992
Press Metal Berhad	PTD 48324 Mukim Plentong Daerah Johor Bahru Johor Darul Takzim	Double Storey Factory 6 years	Office cum Warehouse	Freehold	8,288	518
Press Metal Berhad	HS(D) 69248, PTD 9474 Mukim Senai-Kulai, Johore 332, Jln Emas, Tmn. Desa Kulai, Kulai Johor Darul Takzim	Double Storey Shophouse 2 year	Vacant	Freehold	1,540	175
Press Metal Berhad	HS(D)52126, PTD 26986 Mukim Plentong Daerah Johor Bahru Johor Darul Takzim	Double Storey Shophouse 2 year	Vacant	Freehold	1,400	347
Everlast Aluminium (M) Sdn Bhd	Lot 1797, Mukim Cheras Daerah Ulu Langat Selangor Darul Ehsan	Freehold land & building 6 years	Factory cum warehouse	Freehold	83,036	5,179
Everlast Aluminium (M) Sdn Bhd	Lot 1798, Mukim Cheras Daerah Ulu Langat Selangor Darul Ehsan	Leasehold land & building 4 years	Factory cum office	Leasehold for 69 years expiring 2 December 2065	77,591	3,363
Everlast Aluminium (M) Sdn Bhd	Lot 861, Mukim Petaling Daerah Wilayah Persekutuan Kuala Lumpur	5 storey shophouse 6 years	Vacant	Freehold	7,700	884
Everlast Aluminium (M) Sdn Bhd	Lot 1401, Mukim Sungai Petai Daerah Alor Gajah Melaka	Corner Apartment 3 years	Vacant	Freehold	952	48
Everlast Aluminium (M) Sdn Bhd	Lot 2794, Mukim Petaling Daerah Wilayah Persekutuan Kuala Lumpur	AGF-7 Office Suite Business Park 3 years	Vacant	Freehold	1,266	374
Everlast Aluminium (M) Sdn Bhd	Lot 4380/81/83/84, Mukim Ulu Langat Daerah Ulu Langat Selangor Darul Ehsan	Condominium 3 years	Vacant	Freehold	1,399	192
Angkasa Jasa Sdn Bhd	Pt 7649, Cheras Jaya Mukim Cheras, Daerah Ulu Langat Selangor Darul Ehsan	Leasehold land & building 12 years	Factory cum office	Leasehold for 99 years expiring 14 May 2088	44,584	3,911

LIST OF PROPERTIES HELD BY THE GROUP

AS AT 31 DECEMBER 2000

Proprietor	Location	Description / Age (Years)	Existing use	Tenure	Area sq. ft.	Net Book Value as at 12/31/00 RM'000
Angkasa Jasa Sdn Bhd	HS 52937 Bandar Cheras Daerah Ulu Langat Selangor Darul Ehsan	3 Storey Shophouse 3 years	Vacant	Leasehold for 99 years expiring 27 October 2093	4,618	520
Angkasa Jasa Sdn Bhd	Lot 3-307 Kemayan City Shopping Mall Daerah Johor Bahru Johor Darul Takzim	Commercial/ Office Suite 2 years	Vacant	Freehold	312	262
Angkasa Jasa Sdn Bhd	Lot 3-308 Kemayan City Shopping Mall Daerah Johor Bahru Johor Darul Takzim	Commercial/ Office Suite 2 years	Vacant	Freehold	312	262
Angkasa Jasa Sdn Bhd	Pantai Plaza - Tower B - Suite No. 1002 Kuala Lumpur	Commercial/ Office Suite 2 years	Vacant	Freehold	1,392	903
Angkasa Jasa Sdn Bhd	Pantai Plaza APH 20, Menara Atlas Kuala Lumpur	Commercial/ Office Suite 1 year	Vacant	Freehold	5,339	2,690
PMB Development Sdn Bhd	HS(D)25528 Pt. No. 8627, Mukim Rawang Daerah Gombak Lot 15 Phase 4A, Templer Baiduri, Selangor Darul Ehsan	Bungalow Lot 2 years	Vacant	Freehold	9,000	342

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifteenth Annual General Meeting of Press Metal Berhad will be held at Room Tun H. S. Lee, Commonwealth House, No. 4 Jalan Birah, Damansara Heights, 50490 Kuala Lumpur on Tuesday, 19 June 2001 at 9.30 a.m. for the following purposes:-

A G E N D A**As Ordinary Business**

- | | |
|--|------------------------------|
| 1. To receive and adopt the Audited Financial Statements for the year ended 31 December 2000 together with the Reports of the Directors and of the Auditors thereon. | Ordinary Resolution 1 |
| 2. To declare a final tax exempt dividend of 1.5% for the year ended 31 December 2000. | Ordinary Resolution 2 |
| 3. To approve the payment of Directors' Fees in respect of the year ended 31 December 2000. | Ordinary Resolution 3 |
| 4. To re-elect the following Directors retiring under/pursuant to:- | |
| (a) Article 92 of the Company's Articles of Association:- | |
| i) Encik Mohamad Faiz bin Abdul Hamid | Ordinary Resolution 4 |
| ii) Mr Kuan Poh Fatt | Ordinary Resolution 5 |
| (b) Paragraph 7.28 of the Revamped Listing Requirements of the Kuala Lumpur Stock Exchange:- | |
| i) Mr Koon Poh Ming | Ordinary Resolution 6 |
| ii) Dato' Koon Poh Keong | Ordinary Resolution 7 |
| 5. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |

As Special Business

To consider and, if thought fit, to pass the following Resolutions:-

6. **Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares**
- "That pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10 per centum of the issued Share Capital of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue."
- Ordinary Resolution 9**

NOTICE OF ANNUAL GENERAL MEETING

7. Proposed amendments to the Articles of Association

"THAT to enable the Company to render its Article of Association consistent with any prevailing laws, rules, regulations, orders, guidelines or requirements of the relevant authorities, the deletions, alterations, modifications, variations and additions to the Articles of Association of the Company as set out in Appendix I attached with the Annual Report for year 2000 be and are hereby approved."

Special Resolution 1

NOTICE OF DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Fifteenth Annual General Meeting, a final tax exempt dividend of 1.5% in respect of the financial year ended 31 December 2000 will be paid to shareholders on 20 July 2001. The entitlement date for the said dividend shall be 29 June 2001.

A Depositor shall qualify for entitlement to the Dividend only in respect of:-

- (a) Shares transferred to the Depositor's securities account before 12.30 pm on 29 June 2001 in respect of ordinary transfers.
- (b) Shares bought on the Kuala Lumpur Stock Exchange on a cum entitlement basis according to the Rules of the Kuala Lumpur Stock Exchange.

BY ORDER OF THE BOARD

LOKE KWONG WAI (MIA 4960)
SAW BEE LEAN (MAICSA 0793472)
TAI YIT CHAN (MAICSA 7009143)
Secretaries

Kuala Lumpur
Date : 25 May 2001

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1) (b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Wisma Damansara, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

6. **EXPLANATORY NOTE ON ITEM 6 OF THE AGENDA**
- Resolution pursuant to Section 132D of the Companies Act, 1965

The Ordinary Resolution proposed under item 6 of the Agenda, if passed, will empower the Directors to allot and issue shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

7. **EXPLANATORY NOTE ON ITEM 7 OF THE AGENDA**
- Proposed amendments to the Articles of Association

The Special Resolution 1 proposed, if passed, will render the Company's Articles of Association to be consistent and compliant with the revamped Kuala Lumpur Stock Exchange Listing Requirements and other statutory and regulatory requirements of the Companies Act, 1965 and the Rules of the Malaysian Central Depository Sdn Bhd. The amendment also contain a new provision to enable any Director and member of a committee of Directors to participate at Board of Directors' meetings and committee meetings respectively by way of telephone and video conferencing. This will facilitate the convening of Board of Directors' meetings and committee meetings at short notice when any director or committee member may be abroad or away.



PRESS METAL BERHAD

Company No. 153208-W
(Incorporated in Malaysia)

Number of
Shares held

PROXY FORM

I/We
of
being a member of PRESS METAL BERHAD, hereby appoint * THE CHAIRMAN OF THE MEETING or failing him,
of
or failing him,
of
as my/our proxy to vote for me/us on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held at Room Tun H. S. Lee, Commonwealth House, No. 4 Jalan Birah, Damansara Heights, 50490 Kuala Lumpur on Tuesday, 19 June 2001 at 9.30 a.m. and at any adjournment thereof.

* If you wish to appoint other person(s) to be your proxy/proxies, kindly delete the words "The Chairman of the Meeting or failing him" and insert the name(s) of the person(s) desired.

My/Our proxy is to vote as indicated below :

No.	Resolutions	For	Against
Ordinary Resolution 1	Adoption of Financial Statements and Reports		
Ordinary Resolution 2	Declaration of final tax exempt dividend		
Ordinary Resolution 3	Approval of Directors' Fees		
Ordinary Resolution 4	Re-election of Encik Mohamad Faiz bin Abdul Hamid		
Ordinary Resolution 5	Re-election of Mr Koon Poh Fatt		
Ordinary Resolution 6	Re-election of Mr Koon Poh Ming		
Ordinary Resolution 7	Re-election of Dato' Koon Poh Keong		
Ordinary Resolution 8	Re-appointment of Auditors		
Ordinary Resolution 9	Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares		
Special Resolution 1	Proposed amendments to the Articles of Association		

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.]

.....
Signature:
Shareholder
or Common Seal

Dated this day of 2001.

NOTES :

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy without limitation and the provisions of Section 149 (1) (b) of the Companies Act, 1965 shall not apply.
2. Where a member appoints two (2) or more proxies, the appointments shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its Common Seal or signed by an officer or attorney so authorised.
4. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 11th Floor, Wisma Damansara, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.

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