

financial statement

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PRESS METAL BERHAD

Directors' Report

for the year ended 31 December 2001

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 2001.

PRINCIPAL ACTIVITIES

The Company is principally engaged in manufacturing and marketing of aluminium products, whilst the principal activities of the subsidiaries are as stated in Note 3 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Net profit for the year	<u>7,042</u>	<u>5,487</u>

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the year except as disclosed in the financial statements.

DIVIDENDS

Since the end of the previous financial year, the Company paid a final dividend of 1.5% tax exempt totalling RM930,233 in respect of the year ended 31 December 2000 on 20 July 2001.

The first and final dividend recommended by the Directors in respect of the financial year ended 31 December 2001 of 1.5% tax exempt amounting to RM930,233 will be proposed for shareholders' approval at the forthcoming Annual General Meeting.

DIRECTORS OF THE COMPANY

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

Director

Dato' Megat Abdul Rahman bin Megat Ahmad
 Koon Poh Ming
 Dato' Koon Poh Keong
 Kuan Shin @ Kuan Nyong Hin
 Mohamad Faiz bin Abdul Hamid
 Koon Poh Weng
 Koon Poh Kong
 Koon Poh Tat
 Loo Lean Hock (appointed on 14.9.2001)
 Tan Heng Kui (appointed on 26.12.2001)
 Yong Chee Hou (retired on 19.6.2001)
 Kuan Poh Fatt (resigned on 13.11.2001)
 Kwan Yun Hong @ Kuan Onn Hing (resigned on 13.11.2001)

Alternate

Kuan Pek Seng

Koon Poh Tat (resigned on 13.11.2001)

Directors' Report

for the year ended 31 December 2001

The holdings and deemed holdings in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at year end as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM1 each			
	At 1.1.2001	Bought	Sold	At 31.12.2001
Shareholdings in the Company in which Directors have direct interests				
Dato' Megat Abdul Rahman bin Megat Ahmad	5,871,482	-	(200,000)	5,671,482
Koon Poh Ming	3,152,530	-	-	3,152,530
Dato' Koon Poh Keong	2,531,642	-	-	2,531,642
Kuan Shin @ Kuan Nyong Hin	3,025,561	-	-	3,025,561
Mohamad Faiz bin Abdul Hamid	23,733	-	-	23,733
Koon Poh Weng	1,889,008	-	-	1,889,008
Koon Poh Kong	1,995,199	-	-	1,995,199
Koon Poh Tat	327,587	-	-	327,587
Loo Lean Hock	1,000	-	-	1,000
Tan Heng Kui	14,000	-	-	14,000
Shareholdings in the Company in which Directors have deemed interests				
Dato' Megat Abdul Rahman bin Megat Ahmad	41,400	-	(5,000)	36,400#
Kuan Shin @ Kuan Nyong Hin	3,339,722	-	-	3,339,722*
Koon Poh Weng	95,400	-	-	95,400#
Koon Poh Tat	327,587	-	-	327,587#
Kuan Pek Seng	3,339,722	-	-	3,339,722*
Shareholdings in subsidiary, PMB Facade Technology Sdn. Bhd. in which Directors have indirect interests				
Koon Poh Ming	255,000	-	-	255,000
Koon Poh Weng	255,000	-	-	255,000
Shareholdings in subsidiary, Everlast Aluminium (M) Sdn. Bhd. in which Directors have indirect interests				
Dato' Koon Poh Keong	80,110	-	-	80,110
Koon Poh Kong	80,110	-	-	80,110

Deemed interest in shares held by spouse

* Deemed interest 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 ordinary shares of all other subsidiaries of the Company to the extent the Company has an interest.

None of the other Directors holding office at 31 December 2001 had any interest in the ordinary shares of the Company and of its related corporations during the year.



PRESS METAL BERHAD

Directors'

Report for the year ended 31 December 2001

The Directors' interests in warrants are as follows:-

	Number of Warrants			
	At 1.1.2001	Bought	Sold	At 31.12.2001
Warrants in Press Metal Berhad				
Direct interest				
Dato' Megat Abdul Rahman bin Megat Ahmad	2,478,600	-	(14,000)	2,464,600
Koon Poh Ming	451,715	-	-	451,715
Dato' Koon Poh Keong	387,721	-	-	387,721
Mohamad Faiz bin Abdul Hamid	7,806	-	-	7,806
Koon Poh Weng	624,268	-	-	624,268
Koon Poh Kong	259,200	-	-	259,200
Indirect interest				
Dato' Megat Abdul Rahman bin Megat Ahmad	27,000	-	-	27,000##
Kuan Shin @ Kuan Nyong Hin	176,919	-	-	176,919##
Koon Poh Weng	35,397	-	-	35,397**
Koon Poh Kong	95,400	-	-	95,400**
Kuan Pek Seng	176,919	-	-	176,919##

** Deemed interest in warrants held by spouse

Deemed interest 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 ordinary shares in Press Metal Berhad pursuant to the Employees' Share Option Scheme are set out below:-

	Number of options over ordinary shares of RM1 each				
	At 1.1.2001	Granted	Exercised	Lapsed due to expiry of the Scheme	At 31.12.2001
Koon Poh Ming	135,000	-	-	135,000	-
Dato' Koon Poh Keong	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' Report

for the year ended 31 December 2001

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any 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 corporations 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 certain Directors who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business.

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.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the year.

Pursuant to the Employees' Share Option Scheme (the "Scheme") which became effective on 26 June 1996, options to subscribe for up to 3,397,000 ordinary shares of the Company have lapsed on 31 January 2001, the expiry date of the Scheme.

The outstanding options offered to take up unissued ordinary shares of RM1.00 each and the option price are as follows:-

Number of options over ordinary shares of RM1.00 each							
Date of Offer	Adjusted Option Price	At 1.1.2001	Granted	Lapsed due to resignation	Exercised	Lapsed due to expiry of the Scheme	At 31.12.2001
26.6.1996	3.33	3,180,600	-	-	-	3,180,600	-
31.12.1996	3.55	194,400	-	-	-	194,400	-

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 is non-assignable.



PRESS METAL BERHAD

Directors' Report

for the year ended 31 December 2001

(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 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.

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

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.

Directors'

Report for the year ended 31 December 2001

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 24 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 2001 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.

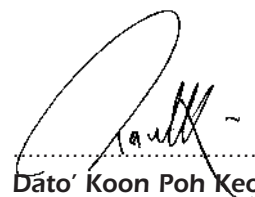
AUDITORS

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

Signed in accordance with a resolution of the Directors:



Koon Poh Ming



Dato' Koon Poh Keong

Kuala Lumpur,

26 April 2002



PRESS METAL BERHAD

Statement by Directors Pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 42 to 70, 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 2001 and of the results of their operations and cash flows for the year ended on that date.

Signed in accordance with a resolution of the Directors:

Koon Poh Ming

Dato' Koon Poh Keong

Kuala Lumpur,

26 April 2002

Statutory Declaration Pursuant to Section 169(16) of the Companies Act, 1965

I, Loo Tai Choong, 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 42 to 70 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 at Kuala Lumpur on 26 April 2002

Before me:



Tingkat 10 Visions UOA Damansara
40, Jalan Dangan,
Bukit Damansara,
50490 Kuala Lumpur

Loo Tai Choong

Report of the Auditors to the Members of Press Metal Berhad

We have audited the financial statements set out on pages 42 to 70. 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 2001 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 statements 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
Chartered Accountants

Hew Lee Lam Sang
Partner
Approval Number: 1862/10/03(J)

Kuala Lumpur,

26 April 2002



PRESS METAL BERHAD

Balance

Sheets at 31 December 2001

	Note	Group		Company	
		2001	2000	2001	2000
		RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	2	137,542	140,197	99,019	100,323
Investments in subsidiaries	3	-	-	23,728	12,563
Land held for development	4	17,508	17,260	-	-
Goodwill	5	3,497	4,057	-	-
Current assets					
Development work-in-progress	6	5,204	4,876	-	-
Inventories	7	25,234	25,602	10,536	10,488
Trade and other receivables	8	153,808	139,035	109,751	118,503
Cash and cash equivalents	9	8,572	5,129	3,332	929
		192,818	174,642	123,619	129,920
Current liabilities					
Trade and other payables	10	43,713	41,671	8,229	12,303
Hire purchase and finance lease liabilities	11	829	1,116	115	51
Borrowings	12	121,765	125,897	96,088	100,402
Taxation		2,948	2,766	405	401
		169,255	171,450	104,837	113,157
Net current assets		23,563	3,192	18,782	16,763
		182,110	164,706	141,529	129,649
Financed by:					
Capital and reserves					
Share capital	13	62,016	62,016	62,016	62,016
Reserves		67,555	61,443	57,322	52,765
		129,571	123,459	119,338	114,781
Minority shareholders' interests	14	21,286	16,926	-	-
Long term and deferred liabilities					
Hire purchase and finance lease liabilities	11	1,012	906	159	71
Borrowings	12	20,930	14,244	13,482	6,247
Deferred taxation	15	9,311	9,171	8,550	8,550
		31,253	24,321	22,191	14,868
		182,110	164,706	141,529	129,649

The notes set out on pages 47 to 70 form an integral part of, and, should be read in conjunction with, these financial statements.

Income

Statements for the year ended 31 December 2001

		Group		Company	
	Note	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Revenue	16	<u>303,252</u>	<u>309,158</u>	<u>179,016</u>	<u>199,828</u>
Operating profit	16	19,935	26,101	11,042	17,174
Financing costs	18	(7,213)	(7,133)	(5,103)	(5,548)
Interest income		50	1,717	-	1,717
		<u>12,772</u>	<u>20,685</u>	<u>5,939</u>	<u>13,343</u>
Profit before tax					
Tax expense	19	(2,898)	(4,367)	(452)	(1,318)
		<u>9,874</u>	<u>16,318</u>	<u>5,487</u>	<u>12,025</u>
Profit after taxation					
Less: Minority interests		(2,832)	(3,852)	-	-
		<u>7,042</u>	<u>12,466</u>	<u>5,487</u>	<u>12,025</u>
Net profit for the year					
Basic earnings per ordinary share (sen)	20	<u>11.4</u>	<u>20.1</u>		
Diluted earnings per ordinary share (sen)	20	<u>11.4</u>	<u>19.0</u>		
Dividends per ordinary share (sen)	21	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>

The notes set out on pages 47 to 70 form an integral part of, and, should be read in conjunction with, these financial statements.



PRESS METAL BERHAD

Statement of Changes in Equity

for the year ended 31 December 2001

GROUP	Non-distributable			Distributable	
	Share Capital RM'000	Revaluation Reserve RM'000	Exchange difference account RM'000	Retained Profit RM'000	Total RM'000
At 1 January 2000	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) (Note 21)	-	-	-	(930)	(930)
	62,016	-	-	61,443	123,459
At 31 December 2000	62,016	-	-	61,443	123,459
Net profit for the year	-	-	-	7,042	7,042
Transfer from retained profit to exchange difference account	-	-	502	(502)	-
Final dividends - 1.5% (tax exempt) (Note 21)	-	-	-	(930)	(930)
	62,016	-	502	67,053	129,571
At 31 December 2001	62,016	-	502	67,053	129,571
COMPANY					
At 1 January 2000	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) (Note 21)	-	-	-	(930)	(930)
	62,016	-	-	52,765	114,781
At 31 December 2000	62,016	-	-	52,765	114,781
Net profit for the year	-	-	-	5,487	5,487
Final dividends - 1.5% (tax exempt) (Note 21)	-	-	-	(930)	(930)
	62,016	-	-	57,322	119,338
At 31 December 2001	62,016	-	-	57,322	119,338

Note 13

The notes set out on pages 47 to 70 form an integral part of, and, should be read in conjunction with, these financial statements.

Cash Flow

Statements for the year ended 31 December 2001

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	12,772	20,685	5,939	13,343
Adjustments for:				
Adjustment for property, plant and equipment cost	19	-	-	-
Amortisation of goodwill	347	341	-	-
Deferred expenditure written off	-	278	-	-
Depreciation	11,156	11,352	8,033	8,026
Dividend income	-	-	(577)	-
Interest expense	7,213	7,133	5,103	5,548
Interest income	(50)	(1,717)	-	(1,717)
(Gain)/Loss on disposal of property, plant and equipment	(3)	(43)	(40)	197
Property, plant and equipment written off	2	-	-	-
Unrealised loss on foreign exchange	389	-	389	-
Operating profit before working capital changes	31,845	38,029	18,847	25,397
Changes in working capital				
Land held for development	(248)	(242)	-	-
Inventories	368	(1,903)	(48)	1,736
Trade and other receivables	(14,773)	(46,638)	8,752	(23,448)
Trade and other payables	2,083	9,321	(4,463)	1,659
Development work-in-progress	(328)	130	-	-
Cash generated from/(used in) operations	18,947	(1,303)	23,088	5,344
Taxation paid	(2,576)	(2,207)	(448)	(407)
Net cash generated from/(used in) operating activities	16,371	(3,510)	22,640	4,937
Cash flows from investing activities				
Purchase of property, plant and equipment	(8,919)	(19,215)	(6,895)	(10,599)
Proceeds from disposal of property, plant and equipment	1,405	2,021	443	163
Interest income	50	1,717	-	1,717
Dividend received	-	-	577	-
Subscribe for share issued by subsidiaries	-	-	-	(2,743)
Proceeds from shares issued to minority shareholders by subsidiaries	1,528	1,251	-	-
Purchase of business by a subsidiary	(194)	(2,872)	-	-
Acquisition of additional shares in subsidiaries	-	-	(11,165)	-
Acquisition of additional stake in a subsidiary	(23)	-	-	-
Net cash used in investing activities	(6,153)	(17,098)	(17,040)	(11,462)



PRESS METAL BERHAD

Cash Flow

Statements for the year ended 31 December 2001

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Repayment of hire purchase and finance lease liabilities	(1,186)	(2,122)	(85)	(994)
Term loans drawn down	-	22,907	-	14,000
Dividends paid	(930)	(1,860)	(930)	(1,860)
Repayment of term loans	(7,334)	(3,630)	(3,787)	(2,937)
Interest paid	(7,213)	(7,133)	(5,103)	(5,548)
Redemption of unsecured bonds	-	(28,000)	-	(28,000)
Repayment of revolving credits	-	(2,553)	-	(1,642)
Revolving credit drawn down	7,439	-	-	-
Net cash used in financing activities	<u>(9,224)</u>	<u>(22,391)</u>	<u>(9,905)</u>	<u>(26,981)</u>
Net increase/(decrease) in cash and cash equivalents	994	(42,999)	(4,305)	(33,506)
Cash and cash equivalents at beginning of year	(95,219)	(52,220)	(82,673)	(49,167)
Cash and cash equivalents at end of year	<u>(94,225)</u>	<u>(95,219)</u>	<u>(86,978)</u>	<u>(82,673)</u>

i) Purchase of plant, property and equipment

Included in the additions of property, plant and equipment of the Group during the year of RM9,924,000 (2000 - RM20,315,000) are property, plant and equipment acquired by means of hire purchase of RM1,005,000 (2000 - RM1,100,000).

Included in the additions of property, plant and equipment of the Company during the year of RM7,132,000 (2000 - RM10,749,000) are property, plant and equipment acquired by means of hire purchase of RM237,000 (2000 - RM150,000).

ii) Cash and cash equivalents

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	2,697	1,208	581	291
Cash and bank balances	5,875	3,921	2,751	638
Bank overdrafts	(11,088)	(13,392)	(5,535)	(7,441)
Bills payable	(91,709)	(86,956)	(84,775)	(76,161)
	<u>(94,225)</u>	<u>(95,219)</u>	<u>(86,978)</u>	<u>(82,673)</u>

The notes set out on pages 47 to 70 form an integral part of, and, should be read in conjunction with, these financial statements.

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 except for the early adoption of the accounting for proposed final dividends in accordance with MASB 19 on Events After the Balance Sheet Date.

(a) Basis of accounting

The financial statements of the Group and of the Company are prepared 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 acquired or disposed of 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 difference between the acquisition cost and the fair values of the subsidiaries' net assets is reflected as goodwill or reserve on consolidation as appropriate.

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

Property, plant and equipment except for freehold land and construction-in-progress 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. Such subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset, in which case it is taken to equity.

Property, plant and equipment acquired under hire purchase arrangements are capitalised at their purchase costs and depreciated on the same basis as owned assets. The total amount payable under hire purchase arrangements are included as hire purchase liabilities.

The interest element of the rental obligation is charged to the income statement over the period of hire purchase.



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Notes to the Financial Statements

(d) Goodwill

Goodwill on consolidation is stated at cost less accumulated amortisation.

Goodwill on consolidation is set-off against reserve on consolidation, where available, and any excess is amortised to the income statement over 5 to 15 years. An impairment loss is recognised when the Directors are of the view that there is a diminution in its value which is other than temporary.

(e) Finance leases

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 amount 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.

(f) Depreciation

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

Long term leasehold land is amortised in equal instalments 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
Buildings	2%
Plant and machinery	4% - 20%
Office equipment	10%
Motor vehicles	10% - 20%
Furniture and fittings	10%
Moulds and dies	10%

(g) Investment in subsidiaries

Investment in subsidiaries are stated at cost. An allowance is made when the Directors are of the view that there is a diminution in their value which is other than temporary.

(h) 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.

Notes to the Financial Statements

(i) 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 allowance for foreseeable loss and applicable progress billings. Land is stated at cost except for those classified as current assets which 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, an allowance for the difference is made to reduce the carrying value of the project. Anticipated losses are provided for in full.

(j) Inventories

Inventories are stated at the lower of cost basis and net realisable value with first-in-first-out being the main basis for cost.

For finished goods and work-in-progress, cost consists of cost of materials, 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.

(k) Trade receivables

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

(l) Amount due from contract customers

Amount due from contract customers is stated at cost plus attributable profits less foreseeable losses and progress billings. Cost includes all direct construction costs and other related costs. Where progress billings exceed the aggregate amount due from contract customers plus attributable profits less foreseeable losses, the net credit balance on all such contracts is shown in trade and other payables as amount due to contract customer in the financial statements.

(m) Cash and cash equivalents

Cash and cash equivalents consists of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents, are presented net of bank overdrafts, bills payable and pledged deposits.



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Notes to the Financial Statements

n) Capitalisation of borrowing costs

Borrowing costs incurred on specific and identifiable borrowings held for development and on properties under development are capitalised.

Capitalisation of borrowing costs will cease when assets are ready for their intended use.

(o) 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 that the timing differences will reverse thereafter. Deferred tax benefits are only recognised where there is a reasonable expectation of realisation in the near future.

(p) 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.

ii) Financial Statements of Foreign Operations

The Group's foreign operations are not considered an integral part of the Company's operations. Accordingly, the assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into Ringgit Malaysia at the exchange rates ruling at the balance sheet date (2000 - non-monetary assets and liabilities of foreign operations were translated at historical rates. If year end rates are used last year, the results would not have been materially different). The revenues and expenses of foreign operations are translated at average exchange rates applicable throughout the year. Foreign exchange differences arising on translation, are recognised in the equity.

The closing rates used in translation of foreign currency monetary assets and liabilities and the financial statements of foreign operations are as follows:-

	2001 RM	2000 RM
1GBP	5.51	5.66
1AUD	1.94	2.12
1HKD	0.49	0.49
1SGD	2.05	2.16
1TAKA	0.07	0.07
1DEM	1.75	Not applicable

Notes to the Financial Statements

(q) Revenue

i) Goods sold and services rendered

Revenue from sale of goods is measured at the fair value of the consideration receivable and is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to the proportion of costs incurred to date that reflect services performed bear to the total estimated costs of the transaction. Where the outcome of the transaction cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

ii) Construction contracts

Revenue from fixed price construction contracts is recognised on the percentage of completion method, measured by reference to the proportion of that contract costs incurred for contract work performed to date that reflect work performed bear to the total estimated contract costs.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to 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.

An expected loss on a contract is recognised immediately in the income statement.

iii) Property development

Profit from property development is recognised using the percentage of completion method. Where foreseeable losses are anticipated, full provision for these losses is made in the financial statements.

iv) Dividend income

Dividend income is recognised when the right to receive payment is established.

v) Interest income

Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset.

(r) Financing costs

All interest and other costs incurred in connection with borrowings, other than that capitalised in accordance with note 1(n), are expensed as incurred. The interest components of finance lease and hire purchase payments are recognised in the income statement so as to give a constant periodic rate of interest on the outstanding liabilities at the end of each accounting period.



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Notes to the Financial Statements

2. Property, plant and equipment

Group	Long term										Total	
	Freehold land		Freehold building		Leasehold land and building		Plant and machinery		Furniture and fittings			Construction in-progress
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
Cost												
At 1 January 2001	7,816	19,397	7,107	104,799	7,619	8,636	2,636	27,228	4,155	189,393		
Additions	-	177	-	5,071	420	1,204	165	2,838	49	9,924		
Disposals	-	(1,002)	-	(386)	-	(568)	-	-	-	(1,956)		
Written off	-	-	-	-	(12)	-	-	-	-	(12)		
Transfer	-	-	3,706	-	-	-	-	-	(3,706)	-		
Adjustment*	-	-	(19)	-	-	-	-	-	-	(19)		
At 31 December 2001	7,816	18,572	10,794	109,484	8,027	9,272	2,801	30,066	498	197,330		
Accumulated depreciation												
At 1 January 2001	-	1,773	398	26,519	3,427	4,218	1,187	11,674	-	49,196		
Charge for the year	-	339	202	5,787	809	916	272	2,831	-	11,156		
Disposals	-	(133)	-	(110)	(10)	(301)	-	-	-	(554)		
Written off	-	-	-	-	(10)	-	-	-	-	(10)		
At 31 December 2001	-	1,979	600	32,196	4,216	4,833	1,459	14,505	-	59,788		
Net book value												
At 31 December 2001	7,816	16,593	10,194	77,288	3,811	4,439	1,342	15,561	498	137,542		
At 31 December 2000	7,816	17,624	6,709	78,280	4,192	4,418	1,449	15,554	4,155	140,197		
Depreciation charge for the year ended 31 December 2000	-	350	124	6,160	825	1,150	181	2,562	-	11,352		

* This represents adjustments on the cost of property, plant and equipment for cost over charged in one of its subsidiaries.

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 2001	5,910	11,385	84,231	5,165	2,525	541	27,228	136,985
Additions	-	126	3,723	261	118	66	2,838	7,132
Disposal	-	-	(386)	-	(182)	-	-	(568)
At 31 December 2001	5,910	11,511	87,568	5,426	2,461	607	30,066	143,549
Accumulated depreciation								
At 1 January 2001	-	1,213	20,296	2,252	1,040	190	11,671	36,662
Charge for the year	-	230	4,158	524	251	39	2,831	8,033
Disposal	-	-	(110)	-	(55)	-	-	(165)
At 31 December 2001	-	1,443	24,344	2,776	1,236	229	14,502	44,530
Net book value								
At 31 December 2001	5,910	10,068	63,224	2,650	1,225	378	15,564	99,019
At 31 December 2000	5,910	10,172	63,935	2,913	1,485	351	15,557	100,323
Depreciation charge for the year ended 31 December 2000	-	223	4,431	488	288	34	2,562	8,026



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Notes to the Financial Statements

Securities

Certain property, plant and equipment costing RM13,545,000 (2000 - RM12,743,000) have been pledged as security for loan facilities as set out in Note 12 to the financial statements.

Assets under hire purchase and finance lease

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	
	2001 RM'000	2000 RM'000
Finance lease: Office equipment/Plant and machinery	20	21
Hire purchase : Plant and machinery	5,695	6,344
Motor vehicles	1,808	3,284
	<u>7,503</u>	<u>9,628</u>
Company		
Hire purchase : Plant and machinery	4,882	5,199
Motor vehicles	427	1,133
	<u>5,309</u>	<u>6,332</u>

3. Investment in subsidiaries

	Company	
	2001 RM'000	2000 RM'000
Unquoted shares, at cost	<u>23,728</u>	<u>12,563</u>

Notes to the Financial Statements

Details of the subsidiaries are as follows:-

Name	Country of incorporation	Principal activities	Effective percentage of ownership	
			2001	2000
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, construction of waste recycling projects and trading of waste treatment and recycling equipment	100%	100%
Wesama Sdn. Bhd.	Malaysia	Provision of general drafting services and construction project management	100%	100%
PMB Marketing Sdn Bhd.* (Formerly known as 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%

* Audited by other firms of accountants.



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Notes to the Financial Statements

Name	Country of incorporation	Principal activities	Effective percentage of ownership	
			2001	2000
Press Metal Aluminium (Australia) Pty. Ltd.*	Australia	Marketing, retailing and trading of aluminium related materials	70%	70%
Everlast Aluminium (M) Sdn. Bhd. and its subsidiaries	Malaysia	Marketing of aluminium and other products	61.57%	61.57%
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 Aluminium (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%
Everlast Aluminium (Kuantan) Sdn. Bhd.* (Formerly known as Kuantan Gypsum Board Sdn. Bhd.)	Malaysia	Marketing of gypsum boards and other products	61.57%	49.26%
Everlast Marketing Sdn. Bhd. *	Malaysia	Marketing of aluminium and other products	49.26%	49.26%
PMB-Envirex Environmental Engineering Sdn. Bhd.	Malaysia	Carries out environmental engineering projects including construction, turnkey and build, operate and transfer of contracts	55%	55%

* Audited by other firms of accountants.

Notes to the Financial Statements

Name	Country of incorporation	Principal activities	Effective percentage of ownership	
			2001	2000
PMB Facade Technology Sdn. Bhd. and its subsidiaries	Malaysia	Design, fabrication and installation of aluminium curtain wall, cladding system and manufacturing and trading of aluminium related products	51%	51%
PMB Facade Technology (H.K.) Limited*	Hong Kong	Design, fabrication and installation of aluminium curtain wall, cladding system and other products	51%	51%
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%	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%	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%	26.0%

* Audited by other firms of accountants.



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Notes to the Financial Statements

4. Land held for development

	Group	
	2001 RM'000	2000 RM'000
Long term leasehold land - at cost	11,386	11,386
Development expenditure	6,122	5,874
	<u>17,508</u>	<u>17,260</u>

Included in development expenditure is interest capitalised at 1.5% (2000 - 1.5%) per annum above the bank's base lending rate amounting to RM246,950 (2000 - RM110,252) for the year.

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

The land title to the long term leasehold land has not been transferred to the subsidiary's name pending full settlement of the purchase consideration.

5. Goodwill

	Group	
	2001 RM'000	2000 RM'000
Balance at 1 January	4,057	1,526
Arising from acquisition of a business by a subsidiary	194	2,872
Arising from acquisition of additional stake by a subsidiary	23	-
	<u>4,274</u>	<u>4,398</u>
Amortisation	(347)	(341)
Over statement of goodwill in a subsidiary in prior year	(430)	-
	<u>3,497</u>	<u>4,057</u>

Notes to the Financial Statements

6. Development work-in-progress

	Group	
	2001 RM'000	2000 RM'000
At cost		
Freehold land	-	6,801
Long term leasehold land	6,879	6,879
Development expenditure	8,150	22,378
	<u>15,029</u>	<u>36,058</u>
Profit attributable to development work performed to date	1,337	2,765
	<u>16,366</u>	<u>38,823</u>
Less: Progress billings	(11,162)	(33,947)
	<u>5,204</u>	<u>4,876</u>

Included in development expenditure is interest capitalised at 1.5% (2000 - 1.5%) per annum above the banks base lending rate amounting to RM127,216 (2000 - RM57,101) for the year.

The land title to the long term leasehold land has not been transferred to the subsidiary's name pending full settlement of the purchase consideration.

7. Inventories

	Group		Company	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
At cost:				
Raw materials	8,635	9,169	5,625	5,796
Work-in-progress	2,959	1,425	1,716	615
Finished goods	4,475	4,266	3,195	4,077
Trading goods	9,165	10,742	-	-
	<u>25,234</u>	<u>25,602</u>	<u>10,536</u>	<u>10,488</u>



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Notes to the Financial Statements

8. Trade and other receivables

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Trade receivables	133,115	124,814	65,868	69,101
Retention sums	2,024	1,816	-	-
	<u>135,139</u>	<u>126,630</u>	<u>65,868</u>	<u>69,101</u>
Less: Allowance for doubtful debts	(5,707)	(6,454)	(3,500)	(3,500)
	<u>129,432</u>	<u>120,176</u>	<u>62,368</u>	<u>65,601</u>
Amount due from contract customers	17,402	9,339	-	-
Subsidiaries	-	-	46,402	49,151
Other receivables, deposits and prepayments	6,974	9,520	981	3,751
	<u>153,808</u>	<u>139,035</u>	<u>109,751</u>	<u>118,503</u>

Doubtful debts written off against allowance for doubtful debts of the Group during the year amounted to RM722,000 (2000 - Nil).

Included in the trade receivables of the Group and of the Company are amounts owing from companies in which certain Directors are also shareholders, of RM24,666,000 (2000 - RM3,618,000) and RM24,575,000 (2000 - RM3,618,000) respectively.

Amount due from contract customers

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Cost incurred to date	92,108	52,552	-	-
Attributable profit	21,789	13,352	-	-
	<u>113,897</u>	<u>65,904</u>	<u>-</u>	<u>-</u>
Less: Progress billings	(96,495)	(56,565)	-	-
	<u>17,402</u>	<u>9,339</u>	<u>-</u>	<u>-</u>

The amount due from/(to) subsidiaries are unsecured, interest free and have no fixed terms of repayment.

9. Cash and cash equivalents

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	2,697	1,208	581	291
Cash and bank balances	5,875	3,921	2,751	638
	<u>8,572</u>	<u>5,129</u>	<u>3,332</u>	<u>929</u>

Included in deposits with licensed banks of the Group is RM10,000 (2000 - Nil) pledged for bank facilities granted to certain subsidiaries.

Notes to the Financial Statements

10. Trade and other payables

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Trade payables	25,989	23,892	4,130	6,331
Other payables and accruals	16,095	17,779	3,311	4,602
Subsidiaries	-	-	778	1,370
Related companies	1,629	-	10	-
	<u>43,713</u>	<u>41,671</u>	<u>8,229</u>	<u>12,303</u>

Included in other payables and accruals of the Company is an amount due to Director of RM10,000 (2000 - RM35,000). This amount is unsecured, interest free and has no fixed term of repayment.

Included in other payables and accruals of the Group are amount due to Directors of RM17,000 (2000 - RM41,000) and an amount due to a corporate shareholder of a subsidiary of RM9,377,000 (2000 - RM9,665,000) respectively. These amounts are unsecured, interest free and have no fixed terms of repayments.

11. Hire purchase and finance lease liabilities

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Hire purchase liabilities	2,264	2,518	323	153
Finance lease liabilities	7	17	-	-
Less: Interest-in-suspense	(430)	(513)	(49)	(31)
	<u>1,841</u>	<u>2,022</u>	<u>274</u>	<u>122</u>

Hire purchase and finance lease liabilities are payable as follows:

	Payments	Interest	Principal	Payments	Interest	Principal
	2001	2001	2001	2000	2000	2000
Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Less than one year	1,017	(188)	829	1,399	(283)	1,116
Between one and five years	1,251	(241)	1,010	1,129	(228)	901
More than five years	3	(1)	2	7	(2)	5
	<u>2,271</u>	<u>(430)</u>	<u>1,841</u>	<u>2,535</u>	<u>(513)</u>	<u>2,022</u>
Company						
Less than one year	136	(21)	115	62	(11)	51
Between one and five years	184	(27)	157	84	(18)	66
More than five years	3	(1)	2	7	(2)	5
	<u>323</u>	<u>(49)</u>	<u>274</u>	<u>153</u>	<u>(31)</u>	<u>122</u>



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Notes to the Financial Statements

12. Borrowings

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Current				
Bills payable (unsecured)	91,709	86,956	84,775	76,161
Bank overdrafts (unsecured)	10,791	13,392	5,535	7,441
Bank overdraft (secured)	297	-	-	-
Revolving credit (unsecured)	7,439	-	-	-
Term loans (unsecured)	7,331	21,321	3,738	14,760
Term loans (secured)	4,198	4,228	2,040	2,040
	<u>121,765</u>	<u>125,897</u>	<u>96,088</u>	<u>100,402</u>
Non-current				
Term loans (unsecured)	8,741	2,016	8,382	1,147
Term loans (secured)	12,189	12,228	5,100	5,100
	<u>20,930</u>	<u>14,244</u>	<u>13,482</u>	<u>6,247</u>

Bills payable and bank overdrafts

The bills payable and bank overdrafts bear interest at rates ranging from 4% to 8.3% (2000 - 3.1% to 8.3%) per annum.

Term loans

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Loan 1	5,100	7,140	5,100	7,140
Loan 2	938	1,907	938	1,907
Loan 3	13,222	14,000	13,222	14,000
Loan of subsidiaries	13,199	16,746	-	-
	<u>32,459</u>	<u>39,793</u>	<u>19,260</u>	<u>23,047</u>

Notes to the Financial Statements

Group	Total RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
2001					
Revolving credit	7,439	7,439	-	-	-
Bills payable (unsecured)	91,709	91,709	-	-	-
Bank overdrafts (unsecured)	10,791	10,791	-	-	-
Bank overdraft (secured)	297	297	-	-	-
Term loans	32,459	11,529	7,287	13,507	136
	<u>142,695</u>	<u>121,765</u>	<u>7,287</u>	<u>13,507</u>	<u>136</u>
2000					
Bills payable (unsecured)	86,956	86,956	-	-	-
Bank overdrafts (unsecured)	13,392	13,392	-	-	-
Term loans	39,793	25,549	5,886	8,068	290
	<u>140,141</u>	<u>125,897</u>	<u>5,886</u>	<u>8,068</u>	<u>290</u>
Company					
2001					
Bills payable (unsecured)	84,775	84,775	-	-	-
Bank overdrafts (unsecured)	5,535	5,535	-	-	-
Term loans	19,260	5,778	4,840	8,642	-
	<u>109,570</u>	<u>96,088</u>	<u>4,840</u>	<u>8,642</u>	<u>-</u>
2000					
Bills payable (unsecured)	76,161	76,161	-	-	-
Bank overdrafts (unsecured)	7,441	7,441	-	-	-
Term loans	23,047	16,800	2,800	3,447	-
	<u>106,649</u>	<u>100,402</u>	<u>2,800</u>	<u>3,447</u>	<u>-</u>

Loan 1 is secured by debenture and negative pledge on all the current and future assets of the Company and bears interest at 10% (2000 - 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% (2000 - 0.75%) per annum above the bank's base lending rate. The loan is repayable by 60 monthly instalments commencing in October 1998.

Loan 3 of the Company is unsecured and bears interest at 1.5% (2000 - 1.5%) per annum over the bank's base lending rate. The loan is repayable by 60 monthly instalments commencing in September 2001.



PRESS METAL BERHAD

Notes to the Financial Statements

Term loans of subsidiaries consist of the following:

- (i) Loans amounting to RM3,786,000 (2000 - RM3,880,000) 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% (2000 - 7% to 9%) per annum and are repayable by quarterly instalments commencing in November 2000.
- (ii) Loan amounting to RM152,000 (2000 - RM173,000) is secured by a corporate guarantee of the Company and charges over the subsidiary's leasehold land. The loan bears interest at 1.75% (2000 - 1.75%) per annum above the bank's base lending rate and is repayable by 120 instalments commencing in July 2000.
- (iii) Loan amounting to RM5,309,000 (2000 - RM5,263,000) 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% (2000 - 8% to 9.8%) per annum and is repayable by 60 equal instalments of RM101,400 each commencing 30 January 2001.
- (iv) Loan amounting to RM869,000 (2000 - RM1,347,000) is secured by a corporate guarantee of Company. The loan bears interest at 6.5% (2000 - 6.5%) per annum and is repayable in equal monthly instalments over 3 years commencing 1 September 2000.
- (v) The bridging loans of a subsidiary amounting to Nil (2000 - RM2,207,000) and RM3,083,060 (2000 - RM3,876,000) are secured by corporate guarantee of the Company and bears interest at 1.5% (2000 - 1.5%) per annum over the bank's cost of fund and 1.5% (2000 - 1.5%) per annum over the bank's base lending rate respectively.

13. Share capital

	Group and Company	
	2001 RM'000	2000 RM'000
Ordinary shares of RM1 each:		
Authorised	500,000	500,000
Issued and fully paid	62,016	62,016

14. 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.

15. Deferred taxation

	Group		Company	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
At 1 January	9,171	8,086	8,550	7,550
Transfer from income statement (Note 19)	140	1,085	-	1,000
At 31 December	9,311	9,171	8,550	8,550

Notes to the Financial Statements

16. Operating profit

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Revenue - contract revenue	77,701	69,044	-	-
- sale of goods	223,448	234,617	179,016	199,828
- sale of properties	1,471	4,922	-	-
- services	632	575	-	-
	<u>303,252</u>	<u>309,158</u>	<u>179,016</u>	<u>199,828</u>
Contract costs recognised as an expense	55,522	54,041	-	-
Cost of sales	196,025	198,775	157,280	174,116
Cost of properties sold	1,305	4,361	-	-
Cost of services	575	571	-	-
	<u>253,427</u>	<u>257,748</u>	<u>157,280</u>	<u>174,116</u>
Gross profit	49,825	51,410	21,736	25,712
Distribution costs	(6,753)	(3,432)	(2,646)	(1,156)
Administration expenses	(13,198)	(12,548)	(4,698)	(4,027)
Other operating expenses	(10,642)	(10,115)	(3,967)	(3,355)
Other operating income	703	786	617	-
	<u>19,935</u>	<u>26,101</u>	<u>11,042</u>	<u>17,174</u>
Operating profit				
Operating profit is arrived at after charging:-				
Allowance for doubtful debts	122	68	-	-
Amortisation of goodwill	347	341	-	-
Audit fees				
- current year				
- Holding company auditor	67	67	21	21
- Other auditors				
- Malaysia	15	14	-	-
- Overseas	70	64	-	-
- overprovision in prior year	-	(2)	-	-
Bad debts written off	29	245	-	-
Consultancy fees payable to a Director	36	36	36	36
Depreciation	11,156	11,352	8,033	8,026
Directors' remuneration				
- fees	92	122	62	114
- other emoluments	1,798	1,458	512	491
- benefits-in-kind	49	82	-	17
Deferred expenditure written off	-	278	-	-
Foreign exchange loss (realised)	445	796	-	789
Foreign exchange loss (unrealised)	389	-	389	-
Loss on disposal of property, plant and equipment	75	202	-	197
Rental of equipment and machinery	330	835	247	248
Rental of motor vehicles	-	-	-	71
Rental of premises	157	596	169	165
Property, plant and equipment written off	2	-	-	-



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Notes to the Financial Statements

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
and crediting:-				
Allowance for doubtful debts written back	23	215	-	-
Bad debts recovered	124	-	-	-
Dividend income	-	-	577	-
Foreign exchange gain (realised)	6	-	1	-
Gain on disposal of property, plant and equipment	78	245	40	-
Income from rental of motor vehicle	5	-	-	-
Interest income	50	1,717	-	1,717
Rental income	444	135	-	37

17. Employees information

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Staff costs	17,845	17,098	9,002	9,165

The number of employees (including Directors) of the Group and the Company at the end of the year was 673 (2000 - 687) and 371 (2000 - 402) respectively.

18. Financing costs

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Interest payable				
Term loans	2,609	1,560	1,870	1,040
Bills payable	3,116	3,217	2,718	2,640
Revolving credit	59	-	-	-
Hire purchase	297	476	14	156
Unsecured bonds	-	956	-	956
Bank overdrafts	871	479	361	368
Finance leases	2	2	-	-
Others	259	443	140	388
	7,213	7,133	5,103	5,548

19. Tax expense

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian - current	2,751	3,282	452	318
- prior	7	-	-	-
Deferred tax expense				
Malaysian - current	101	1,085	-	1,000
- prior	39	-	-	-
	2,898	4,367	452	1,318

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 RM3,765,000 (2000 - RM2,594,000), subject to agreement with the Inland Revenue Board.

Subject to agreement by the Inland Revenue Board, the Company has sufficient tax credits under Section 108 of the Income Tax Act, 1967 and tax exempt income to frank approximately RM42,110,000 (2000 - RM42,606,000) of its retained profits at 31 December 2001 if paid out as dividends.

20. Earnings per share

Basic earnings per share

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders of RM7,042,000 (2000 - RM12,466,000) and the weighted average number of ordinary shares outstanding during the year of 62,016,000 (2000 - 62,016,000).

Diluted earnings per share

The calculation of diluted earnings per share is based on the net profit attributable to ordinary shareholders of RM7,042,000 (2000 - RM12,466,000) and the weighted average number of ordinary shares outstanding during the year of 62,016,000 (2000 - 65,734,000) calculated as follows:

Weighted average number of ordinary shares (diluted)

	2001 RM'000	2000 RM'000
Issued ordinary shares at beginning of the year	62,016	62,016
Effect of warrants	-	3,718
Weighted average number of ordinary shares (diluted)	<u>62,016</u>	<u>65,734</u>

21. Dividends

	Group and Company	
	2001 RM'000	2000 RM'000
Dividends paid:		
Interim dividend of Nil (2000 - 1.5% tax exempt)	-	930
Final dividend of 1.5% (2000 - Nil) tax exempt in respect of the year ended 31 December 2000	930	-
	<u>930</u>	<u>930</u>

The first and final dividend recommended by the Directors in respect of the financial year ended 31 December 2001 of 1.5% tax exempt amounting to RM930,233 will be proposed for shareholders' approval at the following Annual General Meeting.

The proposed first and final dividend has not been accounted for in the financial statements of the Group and of the Company as at 31 December 2001.



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Notes to the Financial Statements

22. Related parties

22.1 Related party relationship

- i) Companies controlled by the Company and its subsidiaries as disclosed in Note 3.
- ii) Company in which Kuan Shin @ Kuan Nyong Hin, Kwan Yun Hong @ Kuan Onn Hing (resigned on 13 November 2001) and Kuan Pek Seng, who are shareholders and Directors of the Company have interests:
 - Chin Foh Berhad ("CFB")
- iii) Companies in which Kwang Ching Hing, a shareholder of the Company has interest:
 - Chin Foh Berhad ("CFB")
 - Chin Foh Trading Sdn. Bhd. ("CFT")
 - CF Aluminium Sdn. Bhd. ("CFA")
- iv) Company in which Kuan Pek Woon, son to Kuan Shin and brother to Kuan Pek Seng have interest:
 - CF Aluminium Sdn. Bhd. ("CFA")
- v) Company in which Kwan Pek Wong, son to Kwan Chin Hing has interest in:
 - CF Aluminium Sdn. Bhd. ("CFA")
- vi) Companies in which Kuan Shin @ Kuan Nyong Hin, Kwan Yun Hong @ Kuan Onn Hing and Kuan Pek Seng have interests:
 - Chin Foh Trading Sdn. Bhd. ("CFT")
 - CF Beloga Sdn. Bhd. ("CFBSB")
 - Lucksoon Contracts Sdn. Bhd. ("LCSB")
- vii) Company in which Kwan Yun Hong @ Kuan Onn Hin has interest:
 - CF Aluminium Sdn. Bhd. ("CFA")
- viii) Company in which Kuan Shin @ Kuan Nyong Hin and Kwan Yun Hong @ Kuan Onn Hong have interest:
 - CF Advance Marketing Sdn. Bhd. ("CFAM")
- ix) Company in which Kuan Shin @ Kuan Nyong Hin, Kwan Yun Hong @ Kuan Onn Hing and Kuan Pek Seng have interest:
 - Chin Foh Stainless Steel Services Centre Sdn. Bhd. ("CFSB")

Notes to the Financial Statements

22.2 Significant transactions with related parties

In the normal course of business, the Group and the Company undertakes on agreed terms and prices, transactions with its related companies and other related parties.

The significant related party transactions are as follows:

	Group		Company	
	2001	2000	2001	2000
	RM'000	RM'000	RM'000	RM'000
A) Rendering of services				
a) Transactions with subsidiaries:				
Rental receivable				
by the Company	-	-	9	44
Rental Charged to the Company	-	-	-	21
B) Sales of goods				
a) Sales to subsidiaries	-	-	18,187	25,916
b) Sales to				
- CFB	22,385	5,988	-	-
- CFT	53	53	-	-
- LCSB	654	-	-	-
- CFA	13,996	-	-	-
C) Purchases of goods				
a) Purchases from subsidiaries	-	-	316	542
b) Purchases from				
- CFT	1,786	658	-	-
- CFBSB	2,341	-	-	-
- CFAM	213	79	-	-
- CFSB	7	189	-	-

23. Segmental information

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

	Turnover		Profit before taxation		Total assets employed	
	2001	2001	2001	2000	2000	2000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Manufacturing	301,149	303,661	13,444	21,249	317,578	305,019
Property development	2,103	5,497	(672)	(564)	33,787	31,137
	<u>303,252</u>	<u>309,158</u>	<u>12,772</u>	<u>20,685</u>	<u>351,365</u>	<u>336,156</u>



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Notes to the Financial Statements

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

	Turnover		Profit before taxation		Total assets employed	
	2001 RM'000	2001 RM'000	2001 RM'000	2000 RM'000	2000 RM'000	2000 RM'000
Malaysia	245,575	271,471	7,959	18,550	294,547	306,549
Hong Kong	35,560	19,146	5,376	2,247	42,530	16,134
Others	22,117	18,541	(563)	(112)	14,288	13,473
	<u>303,252</u>	<u>309,158</u>	<u>12,772</u>	<u>20,685</u>	<u>351,365</u>	<u>336,156</u>

24. Contingent liabilities - unsecured

	Company	
	2001 RM'000	2000 RM'000
i) Guarantees given to financial institutions for facilities granted to subsidiary companies	<u>32,459</u>	<u>34,860</u>
ii) Certain customers of PMB Development Sdn. Bhd. ("PMBD"), a subsidiary of the Company, have filed legal suits to recover approximately RM538,000 (2000 - RM542,000) from PMBD for breach of a term in the sale and purchase agreements.		

Based on legal opinion obtained, the Directors believe that PMBD has a good defence and accordingly, no provision for this liability has been made in the financial statements.

25. Capital commitment

	Group	
	2001 RM'000	2000 RM'000
Approved and contracted for	<u>2,565</u>	<u>231</u>

26. Subsequent event subsequent to balance sheet date

On 22 March 2002, PMB Facade Technology Sdn. Bhd., a 51% owned subsidiary of the Company, had disposed of its entire shareholdings in the share capital of Unison International (H.K.) Limited ("Unison") comprising of 60 ordinary shares of HK\$1.00 each representing 60% of the total issued and paid-up share capital of Unison to Full Talent Enterprise Limited and Mr Wong Tai Chi, Simon for a total cash consideration of HK\$60.00.

Analysis of Shareholdings as at 22 April 2002

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 - 999	133	3.1420	85,537	0.1379
1000 - 10,000	3,723	87.9518	11,935,389	19.2458
10,001 - 100,000	330	7.7959	8,171,965	13.1773
100,001 - 3,100,776	43	1.0158	27,260,442	43.9574
3,100,777 and above	4	0.0945	14,562,222	23.4816
TOTAL	4,233	100.0000	62,015,555	100.0000

DIRECTORS' SHAREHOLDINGS AS AT 22 APRIL 2002

Name	No. of Ordinary Shares	%
Dato' Megat Abdul Rahman bin Megat Ahmad		
Direct	5,671,482	9.14
Deemed Interest: Datin Johariah bte Abdullah Khalid	36,400	0.06
Koon Poh Ming	3,152,530	5.08
Dato' Koon Poh Keong	2,531,642	4.08
Kuan Shin @ Kuan Nyong Hin		
Direct	3,025,561	4.88
Indirect: Doitbest Holdings Sdn Bhd	3,339,722	5.39
Mohamad Faiz bin Abdul Hamid	23,733	0.04
Koon Poh Weng		
Direct	1,889,008	3.05
Deemed Interest: Chan Poh Choo	95,400	0.15
Koon Poh Kong	1,995,199	3.22
Koon Poh Tat		
Direct	1,431,000	2.31
Deemed Interest: Chan Hean Heoh	327,587	0.53
Kuan Pek Seng		
Direct	0	0
Indirect: Doitbest Holdings Sdn Bhd	3,339,722	5.39
Loo Lean Hock	1,000	0
Tan Heng Kui	14,000	0.02

SUBSTANTIAL SHAREHOLDERS AS AT 22 APRIL 2002

	No. of Shares	% of Issued Capital
Kuan Shin @ Kuan Nyong Hin	6,365,283 #	10.2640
Dato' Megat Abdul Rahman bin Megat Ahmad	5,707,882 *	9.2039
Kwan Yun Hong @ Kuan Onn Hing	5,281,219 *	8.5159
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

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.



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List of Top 30 Shareholders/Depositors as at 22 April 2002

Capital	No. of Shares	% of Issued
1. Bumiputra-Commerce Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Dato' Megat Abdul Rahman bin Megat Ahmad	4,017,970	6.4790
2. UOBM Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Kwan Yun Hong @ Kuan Onn Hing	4,000,000	6.4500
3. Doitbest Holdings Sdn. Bhd.	3,339,722	5.3853
4. Koon Poh Ming	3,204,530	5.1673
5. UOBM Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Kuan Shin @ Kuan Nyong Hin	2,286,000	3.6862
6. Kwan Chin Hing	2,082,960	3.3588
7. Koon Poh Weng	1,889,008	3.0460
8. Kuan Poh Fatt	1,405,512	2.2664
9. Koon Poh Tat	1,356,000	2.1865
10. Dato' Megat Abdul Rahman bin Megat Ahmad	1,340,912	2.1622
11. AFFIN - ACF Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Dato' Koon Poh Keong	1,300,000	2.0962
12. Kwan Yun Hong @ Kuan Onn Hing	1,236,019	1.9931
13. Mayban Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Koon Pui Lan	1,182,200	1.9063
14. UOBM Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kwan Chin Hing	1,143,000	1.8431
15. Koon Poh Kong	1,125,199	1.8144
16. Ong Sow Mei	1,098,971	1.7721
17. Kuan Poh Fatt	788,400	1.2713
18. Kuan Shin @ Kuan Nyong Hin	739,561	1.1925
19. AllianceGroup Nominees (Tempatan) Sdn. Bhd. PHEIM Asset Management Sdn. Bhd. For Employees Provident Fund	701,000	1.1304
20. Chan Poh Leng	700,000	1.1287
21. Mayban Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Loh Kwi Yong	609,000	0.9820
22. Citicorp Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Koon Poh Kong	520,000	0.8385
23. Citicorp Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Dato' Koon Poh Keong	500,000	0.8062
24. BBMB Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Dato' Koon Poh Keong	500,000	0.8062
25. Alliancegroup Nominees (Tempatan) Sdn. Bhd. PHEIM Asset Management Sdn. Bhd. For Employees Provident Fund	458,000	0.7385
26. TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Dato' Koon Poh Keong	370,600	0.5976
27. Citicorp Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Leong Chin Ho	338,800	0.5463
28. Megat Abdul Rahman bin Megat Ahmad	300,000	0.4837
29. Dato' Koon Poh Keong	300,000	0.4837
30. Koon Poo Chu	272,745	0.4398
	39,106,109	63.0583

Analysis of Warrantholdings

as at 22 April 2002

Total Warrants Issued : 20,363,999

Size of Holdings	No. of Warrants	% of Issued Capital	No. of Warrantholders	% of Warrantholders
1 - 999	140	6.9238	71,542	0.3513
1000 - 10,000	1629	80.5638	5,403,356	26.5339
10,001 - 100,000	236	11.6716	5,859,441	28.7735
100,001 - 1,018,198	14	0.6924	3,690,660	18.1234
1,018,199 and above	3	0.1484	5,339,000	26.2178
TOTAL	2022	100.0000	20,363,999	100.0000

DIRECTORS' WARRANTHOLDINGS AS AT 22 APRIL 2002

Name	No. of Ordinary Warrants	%
Dato' Megat Abdul Rahman bin Megat Ahmad		
Direct	2,464,600	12.10
Indirect: Joem Sendirian Bhd	27,000	0.13
Koon Poh Ming	451,715	2.22
Dato' Koon Poh Keong	387,721	1.90
Kuan Shin @ Kuan Nyong Hin		
Direct	0	0
Indirect: Doitbest Holdings Sdn Bhd	176,919	0.87
Mohamad Faiz bin Abdul Hamid	7,806	0.04
Koon Poh Weng		
Direct	624,268	3.07
Deemed Interest: Chan Poh Choo	35,397	0.17
Koon Poh Kong		
Direct	259,200	1.27
Deemed Interest: Lee Sook Ching	95,400	0.47
Koon Poh Tat	0	0
Kuan Pek Seng		
Direct	0	0
Indirect: Doitbest Holdings Sdn Bhd	176,919	0.87
Loo Lean Hock	0	0
Tan Heng Kui	0	0



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List of Top 30 Warrantholders/Depositors as at 22 April 2002

	No. of Shares	% of Issued
1. Dato' Megat Abdul Rahman bin Megat Ahmad	2,464,600	12.1027
2. Kwan Yun Hong @ Kuan Onn Hing	1,771,000	8.6967
3. Kwan Chin Hing	1,103,400	5.4184
4. Koon Poh Weng	624,268	3.0655
5. Koon Poh Ming	451,715	2.2182
6. Kuan Poh Fatt	430,037	2.1118
7. Chu Eng Hock	380,800	1.8700
8. Dato' Koon Poh Keong	339,121	1.6653
9. Tan Mew Lan	288,000	1.4143
10. Koon Poh Kong	259,200	1.2728
11. Doitbest Holdings Sdn. Bhd.	176,919	0.8688
12. UOBM Nominees (Tempatan) Sdn. Bhd. United Overseas Bank Nominees (PTE) Ltd For Pe Kim Beng @ Pek Kim Bing	145,800	0.7160
13. Mayban Securities Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Koon Pui Lan	132,800	0.6521
14. Ong Sow Mei	121,000	0.5942
15. Pos Malaysia Berhad	117,000	0.5745
16. Lim Poh Hock	113,000	0.5549
17. Kong Yeng Phooi	111,000	0.5451
18. Tee Geok Hock	100,000	0.4911
19. Alliance Group Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tye Lim Huat	100,000	0.4911
20. TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Lee Sook Ching	96,000	0.4714
21. Gurchran Singh AVL Bachan Singh	92,792	0.4557
22. Botly Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Oh Kim Sun	77,200	0.3791
23. Omega Securities Sdn. Bhd.- In Provisional Liquidation	75,600	0.3712
24. Tan Kim Tian.	75,000	0.3683
25. Tan Tin Choo	72,000	0.3536
26. Lim Yang Chiew	71,000	0.3486
27. Pua Kah Ho	65,000	0.3192
28. Tay Swee Imm	59,000	0.2897
29. Ong Hock Guan	54,000	0.2652
30. Congghuyen Ngochanh Tonny	54,000	0.2652
	10,021,252	49.2107

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Sixteenth 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 Monday, 24 June 2002 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 2001 together with the Reports of the Directors and Auditors thereon. | Ordinary Resolution 1 |
| 2. To declare a final tax exempt dividend of 1.5% for the year ended 31 December 2001. | Ordinary Resolution 2 |
| 3. To approve the payment of Directors' Fees in respect of the year ended 31 December 2001. | Ordinary Resolution 3 |
| 4. To re-elect the following Directors retiring pursuant to Article 92 of the Articles of Association of the Company:- | |
| (i) Dato' Megat Abdul Rahman bin Megat Ahmad | Ordinary Resolution 4 |
| (ii) Kuan Shin @ Kuan Nyong Hin | Ordinary Resolution 5 |
| 5. To re-elect the following Directors retiring pursuant to Article 97 of the Articles of Association of the Company:- | |
| (i) Loo Lean Hock | Ordinary Resolution 6 |
| (ii) Tan Heng Kui | Ordinary Resolution 7 |
| 6. 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 Resolution:-

7. **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



PRESS METAL BERHAD

Notice of Annual General Meeting

NOTICE OF DIVIDEND PAYMENT

NOTICE IS ALSO HEREBY GIVEN THAT, subject to the approval of the shareholders at the Sixteenth Annual General Meeting, a final tax exempt dividend of 1.5% in respect of the financial year ended 31 December 2001 will be paid to shareholders on 28 August 2002. The entitlement date for the said dividend shall be 29 July 2002.

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 p.m. on 29 July 2002 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

SAW BEE LEAN (MAICSA 0793472)
TAI YIT CHAN (MAICSA 7009143)
Secretaries

Kuala Lumpur
Date : 22 May 2002

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 Level 7, Setia 1, 15 Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur not less than 48 hours before the time set for holding the meeting or any adjournment thereof.
5. **EXPLANATORY NOTE ON ITEM 7 OF THE AGENDA**
- Resolution pursuant to Section 132D of the Companies Act, 1965

The Ordinary Resolution proposed under item 7 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.

Statement accompanying Notice of Sixteenth Annual General Meeting

Pursuant to Paragraph 8.28(2) of the Kuala Lumpur Stock Exchange Listing Requirements appended hereunder are:-

(1) **Number of Board Meetings held for the financial year ended 31 December 2001 : Six (6)**

Date	Place	Hour
19 January 2001	Selangor Darul Ehsan	9.00 a.m.
26 February 2001	Selangor Darul Ehsan	9.30 a.m.
30 May 2001	Selangor Darul Ehsan	11.00 a.m.
28 August 2001	Kuala Lumpur	9.00 a.m.
17 September 2001	Kuala Lumpur	9.00 a.m.
28 November 2001	Selangor Darul Ehsan	10.00 a.m.

(2) **Details of Attendance of Directors at Board Meetings held in the financial year ended 31 December 2001 are as follows:-**

Name of Directors	Date of Appointment	Number of Meetings attended *
Dato' Megat Abdul Rahman bin Megat Ahmad	25 May 1995	6/6
Koon Poh Ming	13 May 1986	6/6
Dato' Koon Poh Keong	28 June 1986	6/6
Koon Poh Weng	13 May 1986	5/6
Koon Poh Kong	13 May 1986	4/6
Koon Poh Tat	7 June 1999	6/6
Kuan Shin @ Kuan Nyong Hin	28 June 1986	4/6
Mohamad Faiz bin Abdul Hamid	7 May 1993	6/6
Loo Lean Hock	14 September 2001	2/2
Tan Heng Kui	26 December 2001	N/A
Kuan Pek Seng	30 March 1998	2/6
(Alternate Director to Kuan Shin @ Kuan Nyong Hin)		

* Note: Number of meetings attended/number of meetings held while in office

(3) **Further Details of Directors standing for re-election at the Sixteenth Annual General Meeting:-**

- Dato' Megat Abdul Rahman bin Megat Ahmad *(please refer to the section on the Profile of Directors)*
- Kuan Shin @ Kuan Nyong Hin *(please refer to the section on the Profile of Directors)*
- Loo Lean Hock *(please refer to the section on the Profile of Directors)*
- Tan Heng Kui *(please refer to the section on the Profile of Directors)*



PRESS METAL BERHAD

List of Properties

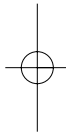
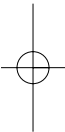
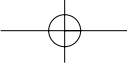
held by the Group as at 31 December 2001

Proprietor	Location	Description / Age (Year)	Existing use	Tenure	Area sq. ft.	Net Book 31/12/2001 RM'000
Press Metal Berhad	Lot 6464, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Freehold land & building 7 years	Factory cum Office	Freehold	217,000	9,055
Press Metal Berhad	Lot 6486, Mukim Kapar Daerah Klang Selangor Darul Ehsan	Freehold land 7 years	Factory	Freehold	417,348	3,911
Press Metal Berhad	PTD 48324 Mukim Plentong Daerah Johor Bahru Johor Darul Takzim	Double Storey Factory 6 years	Office cum Warehouse	Freehold	8,288	502
Press Metal Berhad	HS(D) 69248, PTD 9474 Mukim Senai-Kulai, Johore 332, Jalan Emas Taman Desa Kulai, Kulai Johor Darul Takzim	Double Storey Shophouse 2 years	Vacant	Freehold	1,540	170
Press Metal Berhad	HS(D) 52126, PTD 26986 Mukim Plentong Daerah Johor Bahru Johor Darul Takzim	Double Storey Shophouse 2 years	Vacant	Freehold	1,400	338
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	4,756
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	3,299
Everlast Aluminium (M) Sdn Bhd	Lot 1401, Mukim Sungai Petai Daerah Alor Gajah Melaka	Corner Apartment 3 years	Vacant	Freehold	952	60
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	367

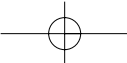
List of Properties

held by the Group as at 31 December 2001

Proprietor	Location	Description / Age (Year)	Existing use	Tenure	Area sq. ft.	Net Book 31/12/2001 RM'000
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	188
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	3,823
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 years	Vacant	Freehold	5,339	2,690
Angkasa Jasa Sdn Bhd	4JD - 107 (IT Ville) 4J Putrajaya Selangor Darul Ehsan	5 Storey Apartment 2 years	Vacant	Leasehold for 99 years expiring 19 October 2093	790	92
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



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PRESS METAL BERHAD
(COMPANY NO. 153208-W)
(Incorporated In Malaysia)

Number of Shares held	
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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 Sixteenth 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 Monday, 24 June 2002 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 Audited Financial Statements for the year ended 31 December 2001 and Reports of the Directors and Auditors thereon		
Ordinary Resolution 2	Declaration of final tax exempt dividend		
Ordinary Resolution 3	Approval of Directors' Fees		
Ordinary Resolution 4	Re-election of YBhg Dato' Megat Abdul Rahman bin Megat Ahmad as Director		
Ordinary Resolution 5	Re-election of Mr Kuan Shin @ Kuan Nyong Hin as Director		
Ordinary Resolution 6	Re-election of Mr Loo Lean Hock as Director		
Ordinary Resolution 7	Re-election of Mr Tan Heng Kui as Director		
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		

[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 2002

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.
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