

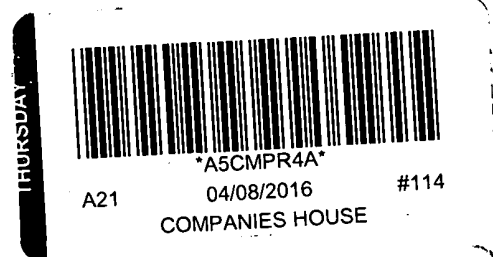
BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2015

Company Registration no: 264420



BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors present their report and the financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Company has operated and continues to operate as an investment holding company.

RESULTS AND DIVIDENDS

The profit for the year after taxation was £1,858,000 (2014: £4,740,000).

On 28 November 2015 an interim dividend of £10,000,000 was paid (2014: £20,800,000). No final dividend in respect of 2015 is recommended by the Directors (2014: nil).

The equity attributable to the owners of the parent company were £20,209,000 at the end of the year (2014: £28,351,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is an investment company, and its main risks relate to the trading risks of its subsidiaries. These comprise (but are not restricted to) the demand and supply and price fluctuations of the commodities and products they sell.

DIRECTORS

The following Directors served during the year:

Mr V H Sher (resigned 3 February 2015)
Mr G C L Rowan (resigned 3 February 2015)
Mr G P Robbins (resigned 29 July 2016)
Mr H T K Brown (appointed 3 February 2015)
Mr H Michie (appointed 3 February 2015)
Mr D S Sher (appointed 29 July 2016)
Mr A J King (appointed 29 July 2016)

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- I select suitable accounting policies and then apply them consistently;
- I make judgements and accounting estimates that are reasonable and prudent;
- I state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- I prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS (CONTINUED)

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Company's business activities and performance are set out in the Directors' Report on page 1. The Company participates in group centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. On the basis of their assessment of the Company's financial position and of the enquiries made of Amalgamated Metal Corporation PLC, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for at least twelve months following the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

AUDITORS

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office.

BY ORDER OF THE BOARD



**H MICHIE
DIRECTOR**

55 Bishopsgate
London
EC2N 3AH

29 July 2016

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

We have audited the financial statements of British Amalgamated Metal Investments Limited for the year ended 31 December 2015 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As explained more fully in the statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- | give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- | have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- | have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year ended 31 December 2015 for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- | adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- | the financial statements are not in agreement with the accounting records and returns; or
- | certain disclosures of Directors' remuneration specified by law are not made; or
- | we have not received all the information and explanations we require for our audit; or
- | the Directors were not entitled to the exemption from the requirement to prepare a strategic report.

BDO LLP

Peter Smith (senior statutory auditor)

For and on behalf of BDO LLP, statutory auditor

London

United Kingdom

Date: 29 July 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

STATEMENT OF INCOME & RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER

	Notes	<u>2015</u> <u>£'000</u>	<u>2014</u> <u>£'000</u>
Investment income	5	1,446	5,030
Net interest income	6	558	645
Other income		5	11
Amount written off investment		-	(480)
Exchange differences		(5)	(401)
Other costs		(2)	(14)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		2,002	4,791
Tax on profit on ordinary activities	7	(144)	(51)
		<hr/>	<hr/>
Profit for the financial year		1,858	4,740
		<hr/>	<hr/>
Retained profits at 1st January		25,697	41,757
Dividends paid	8	(10,000)	(20,800)
		<hr/>	<hr/>
Retained profits at 31st December		17,555	25,697

The notes on pages 6 to 12 form part of these financial statements.

There were no recognised gains or losses in the year other than the profit above, and therefore no separate statement of comprehensive income has been prepared.

All activities of the Company are continuing.

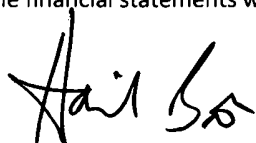
BRITISH AMALGAMATED METAL INVESTMENTS LIMITED**BALANCE SHEET****FOR THE YEAR ENDED 31 DECEMBER**

	Notes	<u>2015</u> <u>£'000</u>	<u>2014</u> <u>£'000</u>
<u>FIXED ASSETS</u>			
Tangible assets	9	85	85
Investments	10	22,924	22,908
		<u>23,009</u>	<u>22,993</u>
<u>CURRENT ASSETS</u>			
Debtors	11	21,671	21,330
Cash at Bank		34	50
		<u>21,705</u>	<u>21,380</u>
		<u>44,714</u>	<u>44,373</u>
<u>CAPITAL AND RESERVES</u>			
Share capital	12	2,526	2,526
Share premium account		53	53
Revaluation Reserve		75	75
Profit and Loss Account		17,555	25,697
		<u>20,209</u>	<u>28,351</u>
Equity attributable to owners of the parent			
Provisions for liabilities	13	9	9
CREDITORS	14	24,496	16,013
		<u>44,714</u>	<u>44,373</u>

The notes on pages 6 to 12 form part of these financial statements.

Company Registration no: 264420

The financial statements were approved by the Board of Directors and authorised for issue on 29 July 2016.

**HTK BROWN****DIRECTOR****H MICHIE****DIRECTOR**

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER

1. COMPANY INFORMATION

British Amalgamated Metal Investments Limited is incorporated in the UK, registration number 264420. The registered office is 55 Bishopsgate, London EC2N 3AH.

2. ACCOUNTING POLICIES

The financial statements have been prepared in compliance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland, for the first time. The date of transition was 1 January 2014. The Company's financial statements were previously prepared in accordance with accounting standards applicable in the United Kingdom. A summary of the more important accounting policies is given below. The impact of first-time adoption of FRS 102 is explained in note 3 below.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Group management to exercise judgement in applying the Group's accounting policies.

The individual accounts of British Amalgamated Metal Investments Limited have adopted the following disclosure exemption:

- the requirement to present a statement of cash flows and related notes.
- disclosures in respect of the Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole in the consolidated financial statements of Amalgamated Metal Corporation PLC (note 15).

The Company prepares its financial statements under the historical cost convention, as amended by the revaluation of the freehold property (note 9) and investments. A summary of the more important accounting policies is given below.

Fixed Asset Investments

Certain fixed asset investments are carried at valuation. Investments acquired subsequent to valuations are included in the balance sheet at cost. At each balance sheet date the carrying value of each investment is reviewed, with provision made for impairment.

Consolidation

Consolidated financial statements are not prepared as the Company is a wholly owned subsidiary of another body corporate incorporated in England and Wales (note 15).

Dividend Income

Dividend income from overseas subsidiaries is shown inclusive of withholding taxes which are shown as overseas taxation within the taxation charge for the year.

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

ACCOUNTING POLICIES continued

Foreign currency translations

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses are recognised in profit or loss.

Current and deferred taxation

The tax expense for the period comprises current tax and deferred tax.

The tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on all timing differences that have originated but not reversed by the balance sheet date except that:

Deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and

Deferred tax balances are reversed if and when all conditions for obtaining associated tax allowances have been met.

3. FIRST-TIME ADOPTION OF FRS 102

		Profit for year ended	Equity as at 31 December	Equity as at 31 December
	Note	Equity as at 1 January 2014	2014	2014
As stated under former UK GAAP		44,221	4,739	28,360
Transitional adjustments				
Deferred tax on revaluation of tangible fixed assets	a	(10)	1	(9)
As stated in accordance with FRS 102		44,211	4,740	28,351

Explanation of changes to previously reported profit and equity

- a Under previous UK GAAP, deferred tax was not recognised on the revaluation of tangible fixed assets unless by the balance sheet date there was a binding agreement to sell the asset and the gain or loss on sale was recognised in the financial statements. Under FRS 102, this deferred tax is recognised.

4. DIRECTORS AND EMPLOYEES

The number of employees (including Directors) throughout the year was three (2013: three). The key management personnel are considered to be Directors of the company.

The Directors did not receive any remuneration in respect of their services to the Company during the year (2014: nil).

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

	2015	2014
	£'000	£'000
5. <u>INVESTMENT INCOME</u>		
Dividend income from shares in subsidiary undertakings	1,446	5,030
	<u>1,446</u>	<u>5,030</u>
6. <u>INTEREST</u>		
Receivable from parent undertakings	1,609	174
Receivable from subsidiary undertaking	-	471
Payable to parent undertaking	(1,051)	0
	<u>558</u>	<u>645</u>
	2015	2014
	£'000	£'000
7. <u>TAXATION</u>		
UK corporation tax	113	52
Double taxation relief	-	(120)
Overseas taxation	-	120
Deferred tax	-	(1)
Prior year adjustment	31	-
	<u>144</u>	<u>51</u>

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

Profit on ordinary activities before tax	<u>2,002</u>	<u>4,791</u>
Profit on ordinary activities at the standard rate of corporate tax in the UK of 20.25% (2014: 21.49%)	405	1,030
Effects of:		
Dividends not taxable	(293)	(1,081)
Permanent disallowables	-	102
Overseas taxation	-	120
Double taxation relief	-	(120)
Prior year adjustment and miscellaneous	32	-
Tax charge for year	<u>144</u>	<u>51</u>

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

	2015 £'000	2014 £'000
8. <u>DIVIDENDS</u>		
Ordinary shares:		
Interim dividend paid of 98.97p per share (2014: 205.85p)	<u>10,000</u>	<u>20,800</u>
9. <u>TANGIBLE FIXED ASSETS</u>		
<u>Freehold Land & Buildings: Investment Property</u>		£'000
Valuation as at 1 January 2015 and 31 December 2015		<u>85</u>
10. <u>FIXED ASSET INVESTMENTS</u>		
		Shares in Subsidiary Undertakings £'000
<u>Cost/Valuation</u>		
At 1 January 2015		22,908
Purchase of shares in Escoy Holdings Bhd		16
At 31 December 2015		<u>22,924</u>

The Directors have considered the value of all the fixed asset investments as at 31 December 2015 and are satisfied that their aggregate value was not less than £22,924,000.

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

10. FIXED ASSET INVESTMENTS continued

Company and country of incorporation/ registration	Principal places of business	Main activities	Percentage of equity shares held %
<u>Subsidiary Undertakings</u>			
<u>Great Britain</u>			
Amalgamated Metal Trading Ltd	London	London Metal Exchange ring dealer	100
AMT Futures Ltd	London	Commodity and financial futures brokers and fund management	100
<u>Singapore</u>			
Amalgamet (South East Asia) Pte Ltd	Singapore	Metals, concentrates and minerals trading	100
<u>USA</u>			
Amalgamet Inc	New York	Metals, concentrates and minerals trading	100
<u>Canada</u>			
BAMI Canada Inc	Toronto	Investment and property holding company	100†
<p>†As at 31st December 2015, BAMI Canada Inc controlled five limited partnerships. Debro Steel LP (discontinued operation) and Amalgamet Canada LP (metals, concentrates and minerals trading), are located in Ontario, Toronto. 6125 51st Street SE LP and 5105 54th Avenue SE LP are both located in Alberta (both dissolved as at 31 March 2016,) and 2325 McKee Avenue LP is located in Saskatchewan.</p>			
<u>Thailand</u>			
Thailand Smelting & Refining Company Limited (Thaisarco)	Phuket Bangkok	Tin refining, manufacture of solders and metal powders and distribution of metals	50*
<p>* The Company holds 50% of the ordinary shares of Thaisarco, and Escoy Holdings Bhd (below) holds the other 50%, giving the Company an effective 77.27% holding.</p>			
<u>Malaysia</u>			
Escoy Holdings Bhd	Penang	Investment holding company	54.53

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

	<u>2015</u> <u>£'000</u>	<u>2014</u> <u>£'000</u>
11. <u>DEBTORS</u>		
Amounts falling due within one year :		
Amounts owed by parent undertakings	21,671	21,262
Taxation recoverable	-	68
	<u>21,671</u>	<u>21,330</u>

Amounts owed by other Group undertakings are unsecured and have no fixed date of repayment. Interest was charged on the balance at the end of each day at an annual rate of 1.75%.

	<u>2015</u> <u>£'000</u>	<u>2014</u> <u>£'000</u>
12. <u>SHARE CAPITAL</u>		
10,104,410 ordinary shares of 25p each	<u>2,526</u>	<u>2,526</u>

13. <u>PROVISIONS FOR LIABILITIES</u>		
Deferred tax		
Arising on valuation of property	<u>9</u>	<u>9</u>

14. <u>CREDITORS</u>		
Amounts falling due within one year:		
Amount owed to Group undertakings:		
- Parent undertaking	24,383	16,013
Taxation payable	113	-
	<u>24,496</u>	<u>16,013</u>

BRITISH AMALGAMATED METAL INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER

15. PARENT UNDERTAKINGS AND RELATED PARTY TRANSACTIONS

The Company is a subsidiary of Amalgamated Metal Investment Holdings Limited, which is incorporated in England and Wales.

The Company's ultimate parent undertaking is AMCO Investments Limited (AMCO), a company incorporated in England and Wales. AMCO is the parent of the largest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements of AMCO are available from Companies House.

Amalgamated Metal Corporation PLC (AMC) is the parent of the smallest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements are available at AMC's registered office:
55 Bishopsgate, London EC2N 3AH.

AMC pays a fee to BDO LLP, which includes the cost of the audit of the Company. It is not practicable to allocate to the Company a share of that fee, and the Company does not pay anything to AMC.