



# **APM AUTOMOTIVE HOLDINGS BERHAD**

(Company No. 424838-D)

*(Incorporated in Malaysia)*

## **INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2017**

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**APM AUTOMOTIVE HOLDINGS BERHAD**  
(Company No. 424838-D)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 31 DECEMBER 2017 – unaudited**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Quarter Ended 31-Dec-17	Corresponding Quarter Ended 31-Dec-16	Change	Cumulative Year to Date 31-Dec-17	Cumulative Year to Date 31-Dec-16	Change
<i>In thousands of RM</i>						
<b>Revenue</b>	327,538	340,713	-4%	1,188,519	1,236,630	-4%
<b>Results from operating activities</b>	19,879	26,667	-25%	66,263	79,136	-16%
<b>Finance costs</b>	(1,079)	(791)	36%	(4,198)	(2,777)	51%
<b>Finance income</b>	2,632	2,140	23%	9,795	9,203	6%
<b>Share of the profit/(loss) of associates and joint ventures accounted for using the equity method, net of tax</b>	445	(1,628)	-127%	(476)	(2,355)	-80%
<b>Profit before tax</b>	21,877	26,388	-17%	71,384	83,207	-14%
<b>Income tax expense</b>	(3,730)	(7,597)	-51%	(21,420)	(23,836)	-10%
<b>Profit for the year</b>	18,147	18,791	-3%	49,964	59,371	-16%
<b>Other comprehensive income, net of tax</b>						
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Remeasurement of defined benefit liability / (asset)	-	(1,959)	-100%	882	(1,959)	-145%
Revaluation of property, plant and equipment	29,648	-	0%	29,648	-	0%
<b>Items that will be reclassified subsequently to profit or loss</b>						
Foreign currency translation differences for foreign operations	(9,645)	(843)	1044%	(5,574)	513	-1187%
Share of foreign currency translation differences of equity-accounted investees	(1,808)	1,866	-197%	(4,291)	2,893	-248%
<b>Other comprehensive income/(expense) for the year, net of tax</b>	18,195	(936)	-2044%	20,665	1,447	1328%
<b>Total comprehensive income for the year</b>	36,342	17,855	104%	70,629	60,818	16%
<b>Profit attributable to :</b>						
Owners of the Company	13,098	15,406	-15%	39,095	48,582	-20%
Non-controlling interests	5,049	3,385	49%	10,869	10,789	1%
<b>Profit for the year</b>	18,147	18,791	-3%	49,964	59,371	-16%
<b>Total comprehensive income attributable to :</b>						
Owners of the Company	30,383	14,470	110%	58,850	50,029	18%
Non-controlling interests	5,959	3,385	76%	11,779	10,789	9%
<b>Total comprehensive income for the year</b>	36,342	17,855	104%	70,629	60,818	16%
<b>Earnings per share</b>						
Basic (sen)	6.70	7.87	-15%	19.99	24.84	-20%

*The above condensed consolidated statements of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD**

(Company No. 424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2017 - unaudited**

<i>In thousands of RM</i>	<b>As at 31-Dec-17</b>	<b>As at 31-Dec-16</b>
<b>Assets</b>		
Property, plant & equipment	572,577	510,972
Prepaid lease payments	16,005	17,888
Investment properties	108,000	103,294
Investment in an associate	11,338	11,763
Investments in joint ventures	31,274	30,186
Intangible assets	19,966	24,601
Deferred tax assets	12,113	11,712
<b>Total non-current assets</b>	<b>771,273</b>	<b>710,416</b>
Inventories	242,236	229,492
Trade and other receivables, including derivatives	288,890	314,846
Other investments	110,662	101,547
Cash and cash equivalents	232,809	229,479
<b>Total current assets</b>	<b>874,597</b>	<b>875,364</b>
<b>Total assets</b>	<b>1,645,870</b>	<b>1,585,780</b>
<b>Equity</b>		
Share capital	219,498	201,600
Reserves	1,024,463	1,011,871
Treasury shares	(13,305)	(13,297)
<b>Total equity attributable to owners of the Company</b>	<b>1,230,656</b>	<b>1,200,174</b>
<b>Non-controlling interests</b>	<b>53,934</b>	<b>37,772</b>
<b>Total equity</b>	<b>1,284,590</b>	<b>1,237,946</b>
<b>Liabilities</b>		
Employee benefits	19,715	17,252
Deferred tax liabilities	43,910	36,160
<b>Total non-current liabilities</b>	<b>63,625</b>	<b>53,412</b>
Trade and other payables, including derivatives	225,031	238,339
Loans and borrowings	68,826	54,692
Current tax liabilities	3,798	1,391
<b>Total current liabilities</b>	<b>297,655</b>	<b>294,422</b>
<b>Total liabilities</b>	<b>361,280</b>	<b>347,834</b>
<b>Total equity and liabilities</b>	<b>1,645,870</b>	<b>1,585,780</b>
Net assets per share attributable to owners of the Company (RM)	6.29	6.14

*The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD**  
(Company No. 424838-D)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 31 DECEMBER 2017 – unaudited**

	<----- Attributable to the owners of the Company ----->						Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Share premiums	Revaluation reserve	Translation reserve	Retained profits			
<i>In thousands of RM</i>									
<b>At 1-Jan-16</b>	201,600	(13,289)	17,898	92,395	8,246	876,552	1,183,402	37,220	1,220,622
Foreign currency translation differences for foreign operations	-	-	-	-	513	-	513	-	513
Remeasurement of defined benefit liabilities	-	-	-	-	-	(1,959)	(1,959)	-	(1,959)
Share of loss of equity-accounted investees	-	-	-	-	2,893	-	2,893	-	2,893
Profit for the year	-	-	-	-	-	48,582	48,582	10,789	59,371
<b>Total comprehensive income for the year</b>	-	-	-	-	3,406	46,623	50,029	10,789	60,818
Own shares acquired	-	(8)	-	-	-	-	(8)	-	(8)
Acquisition of remaining shares of a subsidiary from non-controlling interests	-	-	-	-	-	-	-	(2,500)	(2,500)
Dividends to non-controlling interests	-	-	-	-	-	(33,249)	(33,249)	(8,002)	(41,251)
Increase in non-controlling interests through business	-	-	-	-	-	-	-	265	265
<b>Total transactions with owners of the Group</b>	-	(8)	-	-	-	(33,249)	(33,257)	(10,237)	(43,494)
<b>At 31-Dec-2016</b>	201,600	(13,297)	17,898	92,395	11,652	889,926	1,200,174	37,772	1,237,946
<b>At 1-Jan-17</b>	201,600	(13,297)	17,898	92,395	11,652	889,926	1,200,174	37,772	1,237,946
Adjustments for effects of Companies Act 2016*	17,898	-	(17,898)	-	-	-	-	-	-
Foreign currency translation differences for foreign operations	-	-	-	-	(5,574)	-	(5,574)	-	(5,574)
Remeasurement of defined benefit liabilities	-	-	-	-	-	882	882	-	882
Share of loss of equity-accounted investees	-	-	-	-	(4,291)	-	(4,291)	-	(4,291)
Revaluation of property, plant and equipment, net of tax	-	-	-	28,738	-	-	28,738	910	29,648
Transfer of revaluation surplus on properties	-	-	-	(11,883)	-	11,883	-	-	-
Profit for the year	-	-	-	-	-	39,095	39,095	10,869	49,964
<b>Total comprehensive income for the year</b>	-	-	-	16,855	(9,865)	51,860	58,850	11,779	70,629
Own shares acquired	-	(8)	-	-	-	-	(8)	-	(8)
Subscription of shares in subsidiary by non-controlling interests	-	-	-	-	-	-	-	12,385	12,385
Dividends to owners of the company	-	-	-	-	-	(28,360)	(28,360)	(8,002)	(36,362)
<b>Total transactions with owners of the Group</b>	-	(8)	-	-	-	(28,360)	(28,368)	4,383	(23,985)
<b>At 31-Dec-2017</b>	219,498	(13,305)	-	109,250	1,787	913,426	1,230,656	53,934	1,284,590

\* Pursuant to Section 618(2) of the Companies Act 2016 ("CA 2016"), any amount standing to the credit of the share premium account shall become part of the share capital. Notwithstanding this, within 24 months upon commencement of the CA 2016, the Group may use the amount standing to the credit of the share premium account of RM17,898,000 as stipulated in Section 618(3) of the CA 2016.

*The above condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD**

(Company No. 424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 31 DECEMBER 2017 – unaudited**

<i>In thousands of RM</i>	<b>For the 12 months period ended 31-Dec-17</b>	<b>For the 12 months period ended 31-Dec-16</b>
<b>Cash flows from operating activities</b>		
Profit before tax and non-controlling interests	71,384	83,207
Adjustments for non-cash items	54,749	65,755
Changes in working capital	3,202	(51,087)
<b>Cash generated from operations</b>	<b>129,335</b>	<b>97,875</b>
Interest/Tax/Employee benefits/provision	(12,167)	(19,510)
<b>Net cash generated from operating activities</b>	<b>117,168</b>	<b>78,365</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	439	3,648
Acquisition of property, plant and equipment	(92,190)	(88,923)
Acquisition of operation, net of cash and cash equivalent acquired	-	(11,089)
Net (increase)/decrease in other investments	(9,115)	40,422
Additions of intangible assets	(4,190)	(5,324)
Investment in joint ventures	(5,430)	-
<b>Net cash used in investing activities</b>	<b>(110,486)</b>	<b>(61,266)</b>
<b>Cash flows from financing activities</b>		
Subscription of shares in subsidiary by non-controlling interests	12,385	-
Dividends paid to non-controlling interests	(8,002)	(8,002)
Dividends paid to owners of the Company	(28,360)	(33,249)
Acquisition of remaining shares of a subsidiary	-	(2,503)
Net drawdown/(repayment) of loans and borrowings	14,134	(1,502)
Purchase of treasury shares	(8)	(8)
<b>Net cash generated used in financing activities</b>	<b>(9,851)</b>	<b>(45,264)</b>
Net decrease in cash and cash equivalents	(3,169)	(28,165)
Effect of exchange rate fluctuations	6,499	(6,570)
Cash and cash equivalents at 1 January	229,479	264,214
<b>Cash and cash equivalents at the end of year</b>	<b>232,809</b>	<b>229,479</b>

Cash and cash equivalents at the end of financial period comprise the following:

Cash and bank balances	80,623	60,638
Deposits and corporate management account with licensed banks	152,186	168,841
	<b>232,809</b>	<b>229,479</b>

*The above condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A1. BASIS OF PREPARATION**

These condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2016. The explanatory notes attached to the condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2016.

**A2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Group have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018***

- MFRS 9, *Financial Instruments (2014)*
- MFRS 15, *Revenue from Contracts with Customers*
- Clarifications to MFRS 15, *Revenue from Contracts with Customers*
- IC Interpretation 22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014 – 2016 Cycle)*
- Amendments to MFRS 2, *Share-based Payment – Classification and Measurement of Share-based Payment Transactions*
- Amendments to MFRS 4, *Insurance Contracts – Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts*
- Amendments to MFRS 128, *Investment in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)*
- Amendments to MFRS 140, *Investment Property – Transfers of Investment Property*

***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019***

- MFRS 16, *Leases*
- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 112, *Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 123, *Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*

## **A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021***

- MFRS 17, *Insurance contracts*

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

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group plans to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 January 2018 for those accounting standards, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2018.
- from the annual period beginning on 1 January 2019 for those accounting standard, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2019.
- The Group does not plan to apply MFRS 17, *Insurance Contracts* that is effective for annual periods beginning on 1 January 2021 as it is not applicable to the Group.

### ***MFRS 15 Revenue from Contracts with Customers***

MFRS 15 replaces the guidance in MFRS 111, *Construction Contracts*, MFRS 118, *Revenue*, IC Interpretation 13, *Customer Loyalty Programmes*, IC Interpretation 15, *Agreements for Construction of Real Estate*, IC Interpretation 18, *Transfers of Assets from Customers* and IC Interpretation 131, *Revenue - Barter Transactions Involving Advertising Services*.

In the implementation of MFRS 15, the Group has done its assessment by reviewing all the contracts with customers.

Currently, the Group recognises revenue from contracts with customers on the basis that persuasive evidence exists, usually in the form of an executed sales agreement, and that the significant risks and rewards of ownership have been transferred to the customer. Upon adoption of MFRS 15, the Group will recognise revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. The Group will apply MFRS 15 retrospectively.

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group.

### ***MFRS 9 Financial Instruments***

MFRS 9 replaces the guidance in MFRS 139, *Financial Instruments: Recognition and Measurement* on the classification and measurement of financial assets and financial liabilities, and on hedge accounting.

In the implementation of MFRS 9, the Group assesses the impact of the MFRS 9 by estimating the loss rate using Flow Rate method.

Currently, the Group classifies and measures financial assets and liabilities based on MFRS 139 requirements. Upon adoption of MFRS 9, the Group will classify and measure financial assets and liabilities depending on the entity’s business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**MFRS 9 *Financial Instruments* (Cont'd)**

In respect of impairment of financial assets, MFRS 9 replaces the “incurred loss” model in MFRS 139 with an “expected credit loss” (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at fair value through other comprehensive income, but not to investments in equity instruments.

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impacts to the current period and prior period financial statements of the Group.

**A3. AUDIT QUALIFICATIONS**

There were no audit qualifications in the annual financial statements for the year ended 31 December 2016.

**A4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The operations of the Group were not affected by any seasonal or cyclical factors, other than the general economic environment in which the Group operates.

**A5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items that have a material effect on the assets, liabilities, equity, net income or cash flows for the period.

**A6. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no material changes in estimates of amounts reported in prior financial year.

**A7. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases, resale or repayment of debts and equity securities in the current interim period and financial year to date, other than the following repurchase of shares by the Company:

<b><u>Month</u></b>	<b><u>No. of shares repurchased</u></b>	<i>In thousands of RM</i>	
		<b><u>Total consideration</u></b>	
Feb-17	1,000		4
Aug-17	1,000		4
	<u>2,000</u>	<u></u>	<u>8</u>



**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A8. DIVIDENDS PAID**

No dividends were paid during the quarter ended 31 December 2017.

**A9. SEGMENTAL INFORMATION**

The Group's operating structure comprises the following strategic business divisions, each offering different groups of products or activities as described below:

- *Suspension Division, Malaysia:* comprises business in products such as leaf springs, parabolic springs, coil springs, shock absorbers, Gas Springs, U-bolts and metal parts.
- *Interior & Plastics Division, Malaysia:* comprises business in products such as plastic parts, interiors, seatings for motor vehicles, buses, auditoriums, cinemas, and rails and light rails system.
- *Electrical & Heat Exchange Division, Malaysia:* comprises business in manufacturing products such as air-conditioning systems, radiators, starter motors, alternators, wiper system, distributors and other electrical parts; developing Internet of Things ("IoT") telematics platform; and manufacturing and supplying In-vehicle Infotainment ("IVI") systems.
- *Marketing Division, Malaysia:* main activity is that of trading and distribution of automotive components/parts manufactured by the Group for the replacement and export market.
- *Non-reportable segment, Malaysia:* comprises mainly operations related to the rental of investment properties in Malaysia; casting, machining and assembly of aluminum parts and components; distribution of motor vehicles; provision of management services for companies within the Group and provision of automotive research and development services.
- *Indonesia operations:* comprises business in Indonesia.
- *All other segment:* comprises businesses in Vietnam, Australia, United States of America, Netherlands, Thailand and Myanmar.

The manufacturing and distribution of automotive products within the Group are managed by four different operating segments within the Group. These operating segments are aggregated to form a reportable segment due to the similar nature and economic characteristics of the products. The nature, production process and methods of distribution of the products for these divisions are similar. The types of customers for the products are similar for both replacement markets ("REM") and Original Equipment Manufacturer ("OEM") markets.

Performance is measured based on segment revenue and profit before tax, as included in the internal management reports that are reviewed by the Chief Operating Decision Makers ("CODM"). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A9. SEGMENTAL INFORMATION (CONT'D)**

*In thousands of RM*

**INDIVIDUAL QUARTER**

	<b>31-Dec-17</b>		<b>31-Dec-16</b>	
	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>
Suspension	55,432	6,205	50,361	7,474
Interior & Plastics	230,168	13,311	242,320	13,043
Electricals & Heat Exchange	33,820	1,167	47,311	2,679
Marketing	58,947	1,882	55,221	2,027
Non-reportable segment	12,922	2,970	15,181	3,010
Indonesia Operations	13,578	(1,127)	16,665	(4,921)
All Other Segments	25,678	(1,754)	38,836	2,612
	430,545	22,654	465,895	25,924
Eliminations	(103,007)	(777)	(125,182)	464
	327,538	21,877	340,713	26,388

*In thousands of RM*

**CUMULATIVE QUARTER**

	<b>31-Dec-17</b>		<b>31-Dec-16</b>	
	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>
Suspension	206,581	21,774	209,724	23,171
Interior & Plastics	790,992	39,537	830,420	35,784
Electricals & Heat Exchange	143,008	3,275	175,206	14,626
Marketing	242,803	9,539	213,334	8,553
Non-reportable segment	59,594	3,865	56,078	2,071
Indonesia Operations	53,166	(7,921)	38,152	(11,160)
All Other Segments	120,204	2,048	131,380	9,870
	1,616,348	72,117	1,654,294	82,915
Eliminations	(427,829)	(733)	(417,664)	292
	1,188,519	71,384	1,236,630	83,207

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES**

Property, Plant and Equipment

Pursuant to the revaluation model applied for land and buildings, the Group's land and buildings are subsequently measured at revalued amount less accumulated depreciation and any accumulated impairment losses. The revaluation surplus (net of deferred tax) of RM29.6 million has been incorporated into the consolidated statement of other comprehensive income for the year ended 31 December 2017 and is recognized in the revaluation reserve and non-controlling interest, as the case may be.

The valuation was carried out by independent firms of professional valuers as listed below, using open market value with existing use basis.

No.	Location of Properties	Name of Valuer
1	Malaysia	Rahim & Co Chartered Surveyors Sdn. Bhd.
2	Thailand	Siam City Appraisal Company Limited
3	Vietnam	Sacomvalue
4	Indonesia	Rinaldi Alberth Baroto & Partners
5	Australia	Fitzroys Pty Ltd

Investment Properties

Subsequent to initial recognition, investment properties of the Group are stated at fair value which reflects market conditions at reporting date. The Group last recognized the fair value of the investment property based on a valuation carried out by external valuer on 24 November 2016. This valuation has been updated during the year based on a valuation carried out by an independent professional external valuer, Rahim & Co. Chartered Surveyors. The fair value gain of RM4.5 million (net of deferred tax) has been incorporated into the consolidated statement of profit or loss for the year ended 31 December 2017.

**A11. RELATED PARTY DISCLOSURES**

The following are significant related party transactions:-

<i>In thousands of RM</i>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Quarter Ended</b>	<b>Corresponding Quarter Ended</b>	<b>Cumulative Year To Date</b>	<b>Corresponding Year To Date</b>
<b><u>With TCMH Group</u></b>	<b><u>31-Dec-17</u></b>	<b><u>31-Dec-16</u></b>	<b><u>31-Dec-17</u></b>	<b><u>31-Dec-16</u></b>
Sales	14,864	42,628	75,525	119,353
Provision of services	-	-	40	-
Purchases	(1,496)	(1,435)	(8,673)	(11,212)
Administrative and consultancy services	-	-	(292)	(197)
Insurance	(1,578)	(1,610)	(3,451)	(3,036)
Rental expenses	(73)	(112)	(292)	(143)
Rental income	375	326	1,386	1,687

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Tan Chong Motor Holdings Berhad and its subsidiaries ("TCMH Group").

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A11. RELATED PARTY DISCLOSURES (CONT'D)**

<i>In thousands of RM</i>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Quarter Ended 31-Dec-17</b>	<b>Corresponding Quarter Ended 31-Dec-16</b>	<b>Cumulative Year To Date 31-Dec-17</b>	<b>Corresponding Year To Date 31-Dec-16</b>
<b><u>With WTCH Group</u></b>				
Sales	20	298	208	300
Purchases	(82)	(48)	(253)	(167)
Administrative and consultancy services	(236)	(197)	(1,941)	(1,805)
Rental income	113	109	444	279
Rental expenses	(318)	(296)	(1,288)	(1,240)

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Warisan TC Holdings Berhad and its subsidiaries (“WTCH Group”).

<i>In thousands of RM</i>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Quarter Ended 31-Dec-17</b>	<b>Corresponding Quarter Ended 31-Dec-16</b>	<b>Cumulative Year To Date 31-Dec-17</b>	<b>Corresponding Year To Date 31-Dec-16</b>
<b><u>With TCIL Group</u></b>				
Sales	571	4,417	5,301	39,998
Purchases	(2)	-	(2)	-
Rental expenses	(9)	(58)	(35)	(58)

The above transactions had been entered into in the ordinary course of business on normal commercial terms with Tan Chong International Limited and its subsidiaries (“TCIL Group”).

**A12. MATERIAL SUBSEQUENT EVENT**

There has not arisen in the interval between the end of this reporting year and the date of this announcement, any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group.

**A13. CHANGES IN COMPOSITION OF THE GROUP**

There were no material changes in the composition of the Group during the year.

**A14. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent assets or contingent liabilities as at 31 December 2017.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**A15. CAPITAL COMMITMENTS**

**(i) Capital Commitment**

<i>In thousands of RM</i>	<u><b>31-Dec-17</b></u>	<u><b>31-Dec-16</b></u>
Authorized but not contracted for	30,337	46,030
Contracted but not provided for	14,570	42,773
<b>Total</b>	<u><b>44,907</b></u>	<u><b>88,803</b></u>

**(ii) Non-cancellable operating lease commitment**

<i>In thousands of RM</i>	<u><b>31-Dec-17</b></u>	<u><b>31-Dec-16</b></u>
Commitments for minimum lease payments in relation to non-cancellable operating lease are payables as follows:-		
Not later than 1 year	1,026	1,089
More than 1 year but not later than 5 years	4,106	5,446
More than 5 years	64,382	67,296
<b>TOTAL</b>	<u><b>69,514</b></u>	<u><b>73,831</b></u>

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS**  
**OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. OPERATING SEGMENTS REVIEW**

**Statement of Financial Position**

The Group's financial stability was reflected in net assets per share which grew from RM6.14 in 2016 to RM6.29 in 2017 with cash and cash equivalents, including other investments, which totalled RM343.5 million in 2017 (2016: RM331.0 million).

The Group undertook a revaluation exercise of its properties to reflect their current market value during the year. The exercise is conducted every 3 years with the first in 2014. The revaluation surplus (net of deferred tax) of RM34.1 million has been incorporated into the consolidated financial statements for the year ended 31 December 2017.

Current assets had increased marginally to RM874.6 million from RM875.4 million recorded a year ago. Meanwhile, current liabilities were at RM297.7 million, up RM3.2 million from the preceding year. The increase is mainly due to drawdown of bank loan for purchase of properties in Australia during the year. Despite higher bank borrowings, APM Group is still in net cash (including other investment) position of RM274.7 million as at 31 December 2017.

Looking ahead, the Group's strong cash and cash equivalents provide flexibility in pursuit of growth and expansion. This is further strengthened with the availability of the Islamic Commercial Papers ("ICPs") Programme and Islamic Medium Term Notes ("IMTNs") of up to RM1.5 billion in nominal value.

**Capital Expenditure and Cash Flow Position**

Capital expenditure for the year was 7.8% of revenue, or RM92.2 million. The expenditure was mainly for the construction of building in Kulim, Kedah and purchase of land and building in Australia. In addition, the Group has contracted capital expenditure of RM14.6 million mainly for the tooling of new models.

Cash and cash equivalents as at 31 December 2017 were RM232.8 million, up RM3.3 million from preceding year mainly due to capital injection of RM12.4 million by the joint venture partner in respect of a newly incorporated joint venture company during the year.

**Analysis of Performance of All Operating Segments**

**4Q17 vs. 4Q16**

The Group's recorded revenue of RM327.5 million in the current quarter, representing a decrease of 3.9% compared to 4Q16 of RM340.7 million. The Electrical & Heat Exchange registered reduction in revenue in view of lower demand for OEM parts for certain car models.

Likewise, Group's profit before tax was down by 17.1% to RM21.9 million compared to previous year same quarter of RM26.4 million. The lower profit before tax was also attributed to lower production volume while production overheads remained fixed, coupled by rising material cost.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING**  
**REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. OPERATING SEGMENTS REVIEW (CONT'D)**

**Analysis of Performance of All Operating Segments (cont'd)**

**Year-to-date 2017 vs Year-to-date 2016**

New vehicle production in Malaysia suffered a 8% drop where Total Production Volume (“TPV”) of new vehicles fell from 545,253 units in 2016 to 499,639 units and this invariably impacted the Group’s revenue from the OEM segment.

The Group closed the year in review with revenue of RM1,189.5 million, representing year-on-year revenue reduction of 3.9%, due mainly to lower demand from OEMs parts for both the Interior & Plastic Division and Electrical & Heat Exchange Division. The decrease in local operation’s revenue was mitigated by higher sales from Indonesia operation which registered double digit (39.3%) revenue growth.

The Group’s profit before tax decreased by 14.2% to RM71.4 million compared to RM83.2 million as a result of lower revenue, higher raw material prices arising from a weak Ringgit and reduction in production volume with production overheads which remained relatively fixed. The pre-operating cost in Thailand operations had further reduced the Group’s bottom-line.

**Segment Review**

**Suspension Division**

The Suspension Division saw an increase in revenue by 9.9% to RM55.4 million in 4Q17 as against RM50.4 million in 4Q16. The revenue growth was due to higher export sales for leaf spring products. Profit before tax for quarter under review on the other hand reduced to RM6.2 million from RM7.5 million a year ago. The decrease resulted from higher steel prices and reduction of production volume at shock absorber and coil spring plants with production overheads which remained relatively fixed.

Unlike the growth in current quarter under review, the Suspension Division’s revenue for year decreased marginally by 1.5% to RM206.6 million from RM209.7 million recorded in the last year. The lower revenue was mainly due to lower demand from OEM customers, especially for shock absorber products as they have reached the end of product life cycle in the second half of 2016. Likewise, the profit before tax was lower by 6.0% to RM21.8 million compared to RM23.2 million, a year ago.

**Interior & Plastics Division**

Interior and Plastics Division’s revenue declined by 5.0% to RM230.2 million in the current quarter compared to RM242.3 million for the corresponding quarter in the previous year. The decrease in revenue was attributed to lower demand of vehicle seats from OEM customers. Profit before tax, however, is maintained at RM13 million. The Division’s profitability in 4Q16 was impacted by the higher provision for obsolete inventories.

Revenue in 2017 totalled RM791.0 million, lower than the RM830.4 million recorded in 2016, reflecting a reduction of 4.7%. The lower revenue was primarily caused by lower demand for OEM parts and end of product life cycle for certain vehicle models during the year.

Despite the revenue drop, profit before tax increased to RM39.5 million compared to RM35.8 million in 2016 due to inventory variance adjustment recorded last year.

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**B1. OPERATING SEGMENTS REVIEW (CONT'D)**

**Electrical & Heat Exchange Division**

The Electrical & Heat Exchange Division achieved revenue of RM33.8 million in 4Q17, a decrease of 28.5% from RM47.3 million compared to the same quarter of preceding year. Profit before tax stood at RM1.2 million, a decrease of 55.6% from RM2.7 million in 4Q16. The production phase-outs for certain car models during the third quarter of 2016 and lower demands from OEM parts have resulted in the reduction of revenue and profitability for this division.

Likewise, on a year to year basis, the Electrical & Heat Exchange Division's revenue has dropped to RM143.0 million, a dip of 18.4% from RM175.2 million in the last year. Similarly, the profit before tax was also lowered to RM3.3 million from RM14.6 million in the last year. The Division's profitability was affected by the continuing negative impact of the foreign exchange rate on raw material costs. The higher margin recorded last year was due to positive price adjustment in relation to the foreign exchange fluctuation from OEM customers.

**Marketing Division**

The Marketing division's revenue grew by 6.7% or RM3.7 million quarter on quarter to RM58.9 million in 4Q17 driven by higher export sales of leaf spring products to Europe. Despite the higher revenue, the profit before tax has decreased slightly from RM2.0 million to RM1.9 million, mainly caused by higher freight charges.

For the year of 2017, the division registered revenue of RM242.8 million, representing a surge of 13.8% from RM213.3 million last year. The growth was attributed to aggressive promotional campaigns and the launch of new products for the local replacement markets. Strong export sales for suspension products also contributed to higher revenue. Accordingly, profit before tax has increased by 11.5% to RM9.5 million.

**Non-reportable segment, Malaysia**

This segment comprises mainly operations relating to the rental of properties in Malaysia, provision of management services, and engineering and research services for companies within the Group. The revenue from these services formed part of inter-segment elimination for the total Group's results (as depicted in Note A9). In addition, this segment also comprises the business of casting, machining and assembly of aluminum parts and components and distribution of motor vehicle to internal and external customers.

For the current quarter of 2017, the non-reportable, Malaysia segment's profit before tax maintained at RM3.0 million despite the lower revenue. For year-to-date of 2017, this segment recorded a profit of RM3.9 million compared to RM2.1 million in the previous year. The higher profit was mainly due to recognition of fair value gain on investment properties of RM4.7 million (2016: RM2.1 million).



**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
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**OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. OPERATING SEGMENTS REVIEW (CONT'D)**

**Indonesia Operations**

Our Indonesia Operations refers to the manufacture of suspension products such as coil spring and leaf spring and the Group's investment in joint venture and associate in Indonesia.

Revenue for Indonesia Operations decreased by 18.5% to RM13.6 million for the last quarter of 2017 from RM16.7 million recorded in the corresponding quarter last year mainly due to lower demand from the OEMs customers. Despite the lower revenue, the segmental loss has narrowed by 77.1% compared to loss of RM4.9 million in the same quarter of 2016. This was mainly due to profits contributed by associate and joint venture of RM0.6 million compared to a loss of RM1.9 million recorded in the same quarter of last year.

Year-to-date, revenue from this segment grew to RM53.2 million, representing a growth rate of 39.3% from RM38.2 million, mainly contributed by higher sale of leaf spring in the local replacement market.

However, the Indonesia Operation continued to suffer losses of RM7.9 million compared to a loss of RM11.2 million last year. The loss in this segment was due to the higher depreciation, and operating cost for a new plant manufacturing shock absorber which commenced operations in second quarter of 2017.

**All Other Segments**

This business segment refers to our operations in Thailand, Vietnam, Australia, the United States of America, Netherlands and Myanmar ("Operations Outside Malaysia").

Operations outside Malaysia revenue decreased by 33.8% for the fourth quarter of 2017 to RM25.7 million from RM38.8 million recorded in the corresponding quarter last year. The revenue reduction was mainly caused by lower revenue in Vietnam's seat division following the transfer of business to the newly established joint venture, namely APM Tachi-S Seating Systems Vietnam Co. Ltd ("ATSV") in the first quarter of 2017. The Group's consolidated financial statements include only the Group's share of profit or loss of ATSV.

Consistent with the above-mentioned reason, the revenue in Operation Outside Malaysia for the year decreased by 8.5% to RM120.2 million from RM131.4 million in previous year.

The decline in revenue coupled with higher operating costs resulting from the completion of the plant for Thailand operation has caused the Division to record its quarter loss of RM1.8 million compared to a profit of RM2.6 million recorded in the corresponding quarter last year.

On a year to year basis, apart from the reasons mentioned earlier, the segment profit was also marked down by the high relocation cost resulting from the shifting of its plant for Australia operations.

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**B2. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER**

	<b>Current Quarter 31-Dec-17</b>	<b>Preceding Quarter 30-Sep-17</b>	<b>Changes</b>
Revenue	327,538	291,370	12%
Profit before tax	21,877	20,329	8%

Quarter on quarter (QoQ): revenue increased by 12.4% from RM291.4 million to RM327.5 million and profit before tax by 7.4% (from RM20.4 million to RM21.9 million).

The revenue growth was mainly contributed by higher sale of OEMs parts in the Interior & Plastic Division, primarily driven by the new model launches in 3rd quarter of 2017.

Likewise, the higher profit before tax for the current quarter was due to improved performance recorded mainly in the Interior & Plastics Division, augmented by recognition of fair value gain on investment properties of RM4.7 million (2016: RM2.1 million) as mentioned earlier.

**B3. COMMENTARY ON PROSPECTS AND TARGETS, STRATEGIES AND RISKS,**

APM is primarily engaged in the design, manufacturing and supply of automotive parts with a reach that extends not only throughout Malaysia but internationally as well. Currently, APM has active presence in the United States of America, Netherlands, Australia, Thailand, Vietnam and the Republic of Indonesia.

The performance of APM may be affected by regulatory and policy changes, unfavorable economic, social and political conditions in countries where it operates, currency fluctuation and the rapid changes in technologies.

In mitigating these risks and to address sustainable growth, APM has created and embarked on a 5-year transformation plan since 2015 that emphasizes on certain strategic priorities, i.e. expansion, efficient and cost effective operations, research and development and branding enhancement activities.

APM believes that innovation is one of the keys to success and has not allowed the current challenging economic climate to be a deterrent in its pursuit of the same. In this respect, APM has invested in and established a fully functional research and development centre that houses more than 80 engineers. This centre is equipped with some of the latest cutting edge technologies and a central testing laboratory. APM's engineers have been carefully selected and are capable of handling a range of tasks, including product design and development as well as manufacturing process and technology improvement.

Having the credentials that include over 30 years of manufacturing experience have enabled APM to remain competitive over the years but APM is aware that it cannot rest on its laurels and rely on past successes to drive it forward. APM aims to further improve on its competitiveness and market share through the gradual introduction of automation into its manufacturing processes and the increased focus on the export market for its products.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS**  
**OF BURSA MALAYSIA SECURITIES BERHAD**

**B3. COMMENTARY ON PROSPECTS AND TARGETS, STRATEGIES AND RISKS (CONT'D)**

Continuing drive for growth will be effected through mergers, acquisitions, partnerships and joint-ventures with the aim of developing and delivering products and services that are not only beneficial and in line with the APM's vision but also provide synergistic value to the APM's business and customer base.

The World Bank projects Malaysia's economy to remain strong into 2018 with a growth of 5.2%, though slightly slower compared with the expected 5.8% growth in 2017, supported by the both domestic and external demand (Source : The World Bank – Malaysia Economic Monitor Report – December 2017). Nevertheless, the automotive industry is seen to be in a challenging environment following the softened domestic demand for motor vehicles and more stringent hire purchase approval.

Against this backdrop of the tough environment, the Group's results for the year remain challenging. Nonetheless, the Group is looking to sustain its long-term earnings by pursuing Group wide strategies as mentioned earlier.

**B4. INCOME TAX EXPENSE**

<i>In thousands of RM</i>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
<b>(RM'000)</b>	<b>Current Quarter Ended <u>31-Dec-17</u></b>	<b>Corresponding Quarter Ended <u>31-Dec-16</u></b>	<b>Cumulative Year To Date <u>31-Dec-17</u></b>	<b>Corresponding Year To Date <u>31-Dec-16</u></b>
<b><u>Current tax</u></b>				
- Current year	3,895	5,254	18,963	20,432
- Prior year	952	892	1,159	(472)
<b><u>Deferred tax</u></b>				
- Current year	156	1,846	(365)	2,184
- Prior year	(1,280)	(470)	1,617	1,407
Withholding Tax	7	75	46	285
	<u>3,730</u>	<u>7,597</u>	<u>21,420</u>	<u>23,836</u>

The Group's effective tax rate is higher than the statutory tax rate mainly due to current year losses of certain subsidiaries for which no deferred tax asset was recognized.

**B5. CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at the reporting date.

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**B6. TRADE RECEIVABLES**

	<b>Gross RM'000</b>	<b>Impairment RM'000</b>	<b>Net RM'000</b>
<b><u>2017</u></b>			
Not past due	195,061	-	195,061
Past due 0 - 90 days	20,147	-	20,147
Past due 91 - 180 days	5,583	-	5,583
Past due more than 180 days	1,023	(950)	73
	221,814	(950)	220,864
<b><u>2016</u></b>			
Not past due	183,383	-	183,383
Past due 0 - 90 days	40,572	-	40,572
Past due 91 - 180 days	3,804	-	3,804
Past due more than 180 days	705	(553)	152
	228,464	(553)	227,911

The trade amounts due from related parties and non-related parties are subject to 30-60 days trade credit term.

The Group has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realizable values. Due to the nature of the industry, a significant portion of these receivables comprises regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Significant past due receivables, if deemed as high risks, are monitored individually

**B7. FINANCIAL INSTRUMENTS AND REALISED AND UNREALISED PROFITS**

**Derivatives**

The outstanding forward foreign currency contracts entered as at 31 December 2017 are as follows:

Type of Derivatives	Notional Amount RM'000	Net Fair Value Assets / (Liabilities) RM'000	Maturity
Forward foreign exchange contracts	50,025	1,518	Less than 1 year

Derivative financial instruments entered into by the Group are similar to those disclosed in the consolidated annual financial statements as at and for the year ended 31 December 2017. There is no change to the Group's financial risk management policies in managing these derivative financial instruments and its related accounting policies.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS**  
**OF BURSA MALAYSIA SECURITIES BERHAD**

**B8. BORROWINGS AND DEBT SECURITIES**

Group borrowings as at the end of reporting period are as follows:

<i>In thousands of RM</i>	<b>31-Dec-17</b>	<b>31-Dec-16</b>
Unsecured - Foreign currency loans	50,474	33,692
- Revolving credit	17,900	15,000
- Banker's Acceptances	452	-
- Islamic Medium Term Notes	-	6,000
	<b>68,826</b>	<b>54,692</b>
Amount due within the next 12 months	68,826	54,692
	<b>68,826</b>	<b>54,692</b>

Group borrowings breakdown by currencies.

<i>In thousands of RM</i>			
Functional	Denominated		
<u>Currency</u>	<u>In</u>	<b>31-Dec-17</b>	<b>31-Dec-16</b>
RM	RM	18,352	21,000
AUD	AUD	23,005	1,776
IDR	IDR	23,100	21,579
IDR	USD	4,369	3,140
USD	USD	-	7,197
		<b>68,826</b>	<b>54,692</b>

In 2017, the drawdown of bank borrowing was to finance the purchase of land and building.

Foreign currency loans were not hedged against Ringgit Malaysia as the drawdowns were done by overseas subsidiaries in their local currency respectively.

The Group borrowings are subject to interest ranging from 2.55% to 8.60% (2016: 2.08% to 10.32%) per annum.

**B9. CHANGES IN MATERIAL LITIGATION**

There was no material litigation against the Group as at the reporting date.

**B10. DIVIDEND**

Subject to the approval of the shareholders at the forthcoming Annual General Meeting, the Board recommends a final single-tier dividend of 8.5 sen per ordinary share for the year ended 31 December 2017 (2016 – 10 sen per ordinary share). The net amount payable is RM16.6 million (2016 – RM19.6 million).

The entitlement and payment dates for the final dividend will be announced at a later date.

**APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**  
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**B11. EARNINGS PER SHARE**

The calculation of basic earnings per share for the period is based on the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the periods as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Profit attributable to the owners of the Company (RM'000)	13,098	15,406	39,095	48,582
Weighted average number of ordinary shares in issue ('000)	195,585	195,587	195,585	195,587
<b>Basic EPS (sen)</b>	<b>6.70</b>	<b>7.87</b>	<b>19.99</b>	<b>24.84</b>

**B12. NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

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

<i>In thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Current Quarter Ended	(Unaudited) Corresponding Quarter Ended	(Unaudited) Cumulative Year To Date	(Unaudited) Corresponding Year To Date
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
(a) Interest income	(2,632)	(2,140)	(9,795)	(9,203)
(b) Other income including investment income	(1,141)	(342)	(4,373)	(2,317)
(c) Interest expense	1,079	791	4,198	2,777
(d) Depreciation and Amortization	14,666	16,770	59,735	59,759
(e) (Reversal)/Impairment loss on trade receivables	329	-	397	(38)
(f) Provision of slow moving stock	1,236	3,711	464	5,769
(g) Inventory (written back)/written off	(79)	818	(79)	6,401
(g) Gain on disposal of property, plant and equipment	(17)	(5)	(137)	(120)
(h) Net Foreign exchange (gain)/loss	(1,065)	(1,905)	(423)	2,277
(i) Gain on derivatives	(1,136)	(1,045)	(1,073)	(380)
(k) Fair Value adjustment on investment properties	(4,706)	(2,084)	(4,706)	(2,084)

**BY ORDER OF THE BOARD**

KHOO PENG PENG

Company Secretary  
Kuala Lumpur  
28 February 2018