



# **APM AUTOMOTIVE HOLDINGS BERHAD**

Registration No. 199701009342 (424838-D)

*(Incorporated in Malaysia)*

## **INTERIM REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2021**

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**APM AUTOMOTIVE HOLDINGS BERHAD**

Registration No. 199701009342 (424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021 – unaudited**

<i>In thousands of RM</i>	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current	Corresponding	Change	Cumulative	Cumulative	Change
	Quarter Ended 30-Sep-21	Quarter Ended 30-Sep-20		Year to Date 30-Sep-21	Year to Date 30-Sep-20	
<b>Revenue</b>	174,686	333,816	-47.7%	809,163	764,943	6%
<b>Results from operating activities</b>	(25,881)	24,431	-205.9%	(10,522)	1,550	-779%
<b>Finance costs</b>	(1,048)	(1,243)	15.7%	(3,430)	(3,891)	12%
<b>Finance income</b>	1,144	1,554	-26.4%	3,818	6,314	-40%
<b>Share of the loss of equity-accounted associates and joint ventures, net of tax</b>	(1,294)	(1,289)	-0.4%	(1,133)	(2,935)	61%
<b>(Loss)/profit before tax</b>	(27,079)	23,453	-215.5%	(11,267)	1,038	-1185%
<b>Income tax expense</b>	1,789	(4,467)	140.0%	(8,141)	(4,753)	-71%
<b>(Loss)/profit for the period</b>	(25,290)	18,986	-233.2%	(19,408)	(3,715)	-422%
<b>Other comprehensive income/(expense), net of tax</b>						
<b>Items that will not be reclassified subsequently to profit or loss</b>						
Remeasurement of defined benefit liability for equity-accounted associate and joint ventures	-	-	N/A	541	-	N/A
<b>Items that will be reclassified subsequently to profit or loss</b>						
Foreign currency translation differences for consolidated subsidiaries	(1,069)	(16,458)	93.5%	(143)	(6,863)	98%
Foreign currency translation differences for equity-accounted associate and joint ventures	1,381	(1,861)	174.2%	1,534	(1,345)	214%
<b>Other comprehensive income/(expense) for the period, net of tax</b>	312	(18,319)	101.7%	1,932	(8,208)	124%
<b>Total comprehensive (loss)/income for the period</b>	(24,978)	667	-3844.8%	(17,476)	(11,923)	-47%
<b>(Loss)/profit attributable to :</b>						
Owners of the Company	(25,668)	13,799	-286.0%	(27,675)	(13,284)	-108%
Non-controlling interests	378	5,187	-92.7%	8,267	9,569	-14%
<b>(Loss)/profit for the period</b>	(25,290)	18,986	-233.2%	(19,408)	(3,715)	-422%
<b>Total comprehensive income attributable to :</b>						
Owners of the Company	(25,356)	(4,520)	-461.0%	(25,743)	(21,492)	-20%
Non-controlling interests	378	5,187	-92.7%	8,267	9,569	-14%
<b>Total comprehensive (loss)/income for the period</b>	(24,978)	667	-3844.8%	(17,476)	(11,923)	-47%
<b>(Loss)/Earnings per ordinary share</b>						
Basic (sen)	(13.13)	7.06	-286.0%	(14.16)	(6.79)	-108%

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD**

Registration No. 199701009342 (424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS AT 30 SEPTEMBER 2021 – unaudited**

<i>In thousands of RM</i>	<b>As at 30-Sep-21</b>	<b>As at 31-Dec-20 (Audited)</b>
<b>Assets</b>		
Property, plant and equipment	655,565	682,270
Investment properties	106,660	106,660
Investments in joint ventures	72,305	55,286
Intangible assets	24,686	24,577
Deferred tax assets	23,878	23,998
<b>Total non-current assets</b>	<b>883,094</b>	<b>892,791</b>
Inventories	377,431	277,189
Trade and other receivables, including derivatives	199,633	265,728
Current tax assets	6,027	5,742
Other investments	149,353	206,251
Cash and cash equivalents	125,297	203,837
<b>Total current assets</b>	<b>857,741</b>	<b>958,747</b>
<b>Total assets</b>	<b>1,740,835</b>	<b>1,851,538</b>
<b>Equity</b>		
Share capital	219,498	219,498
Reserves	1,071,435	1,110,863
Treasury shares	(13,506)	(13,506)
<b>Total equity attributable to owners of the Company</b>	<b>1,277,427</b>	<b>1,316,855</b>
Non-controlling interests	75,289	71,023
<b>Total equity</b>	<b>1,352,716</b>	<b>1,387,878</b>
<b>Liabilities</b>		
Employee benefits	31,621	29,752
Lease liabilities	16,314	12,883
Deferred tax liabilities	63,061	65,828
Loans and borrowings	-	192
<b>Total non-current liabilities</b>	<b>110,996</b>	<b>108,655</b>
Trade and other payables, including derivatives	189,772	255,038
Lease liabilities	2,572	2,729
Loans and borrowings	80,100	87,399
Current tax liabilities	4,679	9,839
<b>Total current liabilities</b>	<b>277,123</b>	<b>355,005</b>
<b>Total liabilities</b>	<b>388,119</b>	<b>463,660</b>
<b>Total equity and liabilities</b>	<b>1,740,835</b>	<b>1,851,538</b>
Net assets per share attributable to owners of the Company (RM)*	6.53	6.74

*\*Net assets per share is calculated based on total share capital in issue less treasury shares of 6,105,700.*

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD**

Registration No. 199701009342 (424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021 – unaudited**

	----- Attributable to the owners of the Company ----->					Total	Non- controlling interests	Total equity
	Share capital	Treasury shares	Revaluation reserve	Translation reserve	Retained earnings			
<i>In thousands of RM</i>								
<b>At 1-Jan-2020</b>	219,498	(13,312)	131,159	(146)	936,374	1,273,573	75,179	1,348,752
Foreign currency translation differences for consolidated subsidiaries	-	-	-	(6,863)	-	(6,863)	-	(6,863)
Foreign currency translation differences for equity-accounted associate and joint ventures	-	-	-	(1,345)	-	(1,345)	-	(1,345)
Transfer of revaluation surplus on properties	-	-	(3,681)	-	3,681	-	-	-
Total other comprehensive income for the period	-	-	(3,681)	(8,208)	3,681	(8,208)	-	(8,208)
(Loss)/profit for the period	-	-	-	-	(13,284)	(13,284)	9,569	(3,715)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(3,681)	(8,208)	(9,603)	(21,492)	9,569	(11,923)
Own shares acquired	-	(194)	-	-	-	(194)	-	(194)
Dividends to owners of the company	-	-	-	-	(9,775)	(9,775)	-	(9,775)
Dividends to non-controlling interests	-	-	-	-	-	-	(10,001)	(10,001)
<b>Total transactions with owners of the company</b>	-	(194)	-	-	(9,775)	(9,969)	(10,001)	(19,970)
<b>At 30-Sep-20</b>	219,498	(13,506)	127,478	(8,354)	916,996	1,242,112	74,747	1,316,859
<b>At 1-Jan-2021</b>	219,498	(13,506)	193,725	(3,901)	921,039	1,316,855	71,023	1,387,878
Foreign currency translation differences for consolidated subsidiaries	-	-	-	(143)	-	(143)	-	(143)
Foreign currency translation differences for equity-accounted associate and joint ventures	-	-	-	1,534	-	1,534	-	1,534
Remeasurement of defined benefit liabilities for equity-accounted associate and joint ventures	-	-	-	-	541	541	-	541
Transfer of revaluation surplus on properties	-	-	(6,450)	-	6,450	-	-	-
Total other comprehensive income for the period	-	-	(6,450)	1,391	6,991	1,932	-	1,932
(Loss)/profit for the period	-	-	-	-	(27,675)	(27,675)	8,267	(19,408)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(6,450)	1,391	(20,684)	(25,743)	8,267	(17,476)
Dividends to owners of the company	-	-	-	-	(13,685)	(13,685)	-	(13,685)
Dividends to non-controlling interests	-	-	-	-	-	-	(4,001)	(4,001)
<b>Total transactions with owners of the Group</b>	-	-	-	-	(13,685)	(13,685)	(4,001)	(17,686)
<b>At 30-Sep-21</b>	219,498	(13,506)	187,275	(2,510)	886,670	1,277,427	75,289	1,352,716

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.*

**APM AUTOMOTIVE HOLDINGS BERHAD**

Registration No. 199701009342 (424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021 – unaudited**

<i>In thousands of RM</i>	<b>For the 9 months period ended 30-Sep-21</b>	<b>For the 9 months period ended 30-Sep-20</b>
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax and non-controlling interests	(11,267)	1,038
Adjustments for non-cash items	50,393	50,458
<b>Operating profit before working capital changes</b>	<b>39,126</b>	<b>51,496</b>
<b>Changes in working capital</b>		
Deposits and prepayments	(4,621)	(7,874)
Inventories	(100,141)	15,557
Trade and other payables, including derivatives	(64,190)	(16,565)
Trade and other receivables, including derivatives	69,740	58,459
<b>Cash (used in)/generated from operations</b>	<b>(60,086)</b>	<b>101,073</b>
Employee benefits paid	(578)	(709)
Interest received	3,818	6,314
Interest paid	(3,430)	(3,891)
Warranties paid	(1,231)	(1,368)
Income tax refund	1,042	5,298
Income tax paid	(17,196)	(9,478)
<b>Net cash (used in)/generated from operating activities</b>	<b>(77,661)</b>	<b>97,239</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	206	1,401
Acquisition of property, plant and equipment	(15,660)	(30,034)
Net decrease/(increase) in other investments	56,899	(9,468)
Additions of intangible assets	(1,434)	(8,599)
Investment in joint ventures	(16,743)	(18,271)
<b>Net cash generated from/(used in) investing activities</b>	<b>23,268</b>	<b>(64,971)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to non-controlling interests	(4,001)	(10,001)
Dividends paid to owners of the Company	(13,685)	(9,775)
Net (repayment)/drawdown of loans and borrowings	(7,491)	14,530
Payment of lease liabilities	(815)	(1,887)
Own shares acquired	-	(194)
<b>Net cash used in financing activities</b>	<b>(25,992)</b>	<b>(7,327)</b>
Net cash (decrease)/increase in cash and cash equivalents	(80,385)	24,941
Effect of exchange rate fluctuations	1,845	(3,370)
Cash and cash equivalents at 1 January	203,837	179,772
<b>Cash and cash equivalents at the end of period</b>	<b>125,297</b>	<b>201,343</b>

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

Cash and bank balances	47,637	63,140
Deposits and corporate management account with licensed banks	77,660	138,203
	<b>125,297</b>	<b>201,343</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2020 and the accompanying explanatory notes attached to these interim financial statements.*

## **A1. BASIS OF PREPARATION**

These condensed consolidated interim financial statements (Condensed Report) have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134: 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 2020. The explanatory notes attached to the condensed report provide explanations 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 2020.

## **A2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Group have been prepared in accordance with MFRSs, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

During the financial period the Group has adopted the following interpretations and amendments issued by the Malaysian Accounting Standards Board (“MASB”), which became effective for annual periods beginning on or after 1 January 2021:

- Amendment to MFRS 16, *Leases – COVID-19-Related Rent Concessions*;
- Amendment to MFRS 9, *Financial Instruments*;
- Amendment to MFRS 139, *Financial Instruments: Recognition and Measurement*;
- Amendment to MFRS 7, *Financial Instruments: Disclosures*; and
- Amendment to MFRS 16, *Leases – Interest Rate Benchmark Reform – Phase 2*.

The adoption of the above pronouncements did not have any material impact on the financial statements of the Group.

The following are accounting standards, interpretations and amendments of the MFRSs 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 April 2021***

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*.

### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2022***

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*;
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*;
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*;
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*;
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*;
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*; and
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*.

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

### ***MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2023***

- MFRS 17, *Insurance contracts*;
- Amendments to MFRS 17 *Insurance Contracts*;
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies*;
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*; and
- Amendments to MFRS 112, *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.

### ***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 2022 for those amendments that are effective for annual periods beginning on or after 1 January 2022, except for Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)* and Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)* which are not applicable to the Group; and
- from the annual period beginning on 1 January 2023 for those amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17, *Insurance Contracts* and Amendments to MFRS 17 *Insurance Contracts* which are not applicable to the Group.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact 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 2020.

## **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 had a material effect on the assets, liabilities, equity, net income or cash flows for the quarter ended 30 September 2021.

## **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.

## **A8. DIVIDENDS PAID**

No dividends were paid during the quarter ended 30 September 2021.

## **A9. SEGMENTAL INFORMATION**

The Group's operating structure comprises the following strategic business divisions, with 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; and 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;
- *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; provision of management services for companies within the Group and provision of automotive research and development services;
- *Indonesia operations:* comprises business in Indonesia; and
- *All other segments:* comprises businesses in Vietnam, Australia, India, the United States of America, Netherlands, Thailand, Myanmar and the United Kingdom.

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 segmental revenue and profit before tax, as included in the internal management reports that are reviewed by the Chief Operating Decision Makers. Segmental 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.



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

*In thousands of RM*

**INDIVIDUAL QUARTER**

	30-Sep-21		30-Sep-20	
	<u>Segment Revenue</u>	<u>Profit/(loss) before tax</u>	<u>Segment Revenue</u>	<u>Profit/(loss) before tax</u>
Suspension	24,857	(5,046)	57,301	4,142
Interior & Plastics	90,374	(12,367)	237,994	21,190
Electrical & Heat Exchange	12,699	(3,502)	30,012	(238)
Marketing	39,641	(196)	70,296	1,518
Non-reportable segment	10,193	(3,162)	13,040	(361)
Indonesia Operations	24,134	(1,794)	13,068	(4,408)
All Other Segments	32,691	(1,108)	35,987	1,571
	234,589	(27,175)	457,698	23,414
Eliminations	(59,903)	96	(123,882)	39
	174,686	(27,079)	333,816	23,453

*In thousands of RM*

**CUMULATIVE QUARTER**

	30-Sep-21		30-Sep-20	
	<u>Segment Revenue</u>	<u>Profit/(loss) before tax</u>	<u>Segment Revenue</u>	<u>Profit/(loss) before tax</u>
Suspension	110,000	(7,522)	112,956	(3,989)
Interior & Plastics	517,424	5,777	525,324	22,120
Electrical & Heat Exchange	59,327	(5,920)	60,467	(3,403)
Marketing	157,900	3,628	145,347	1,196
Non-reportable segment	35,100	(6,993)	39,294	(4,808)
Indonesia Operations	60,189	(6,954)	34,742	(13,218)
All Other Segments	118,061	5,940	107,253	2,806
	1,058,001	(12,044)	1,025,383	704
Eliminations	(248,838)	777	(260,440)	334
	809,163	(11,267)	764,943	1,038

**A10. VALUATION OF PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND RIGHT-OF-USE ASSETS**

The valuations of property, plant and equipment and investment properties were brought forward without amendment from the annual financial statements for the year ended 31 December 2020.

**A11. RELATED PARTY DISCLOSURES**

Significant transactions with Tan Chong Motor Holdings Berhad (“TCMH Group”), Warisan TC Holdings Berhad (“WTCH Group”) and Tan Chong International Limited (“TCIL Group”), companies in which Directors of the Company, namely Dato’ Tan Heng Chew and Dato’ Tan Eng Hwa, are deemed to have substantial financial interests are as follows:

**APM AUTOMOTIVE HOLDINGS BERHAD (Registration No. 199701009342 (424838-D))**  
**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

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

*In thousands of RM*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
<b><u>With TCMH Group</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-20</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-20</u></b>
Sales	1,772	2,661	8,767	12,419
Provision of services	109	127	364	304
Purchases	(278)	8	(987)	(2,818)
Administrative and consultancy services	(750)	1	(1,720)	(220)
Insurance	(153)	33	(4,676)	(4,488)
Rental expenses	(5)	(14)	(36)	(66)
Rental income	450	356	1,359	1,124

The above transactions had been entered into in the ordinary course of business on normal commercial terms.

*In thousands of RM*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
<b><u>With WTCH Group</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-20</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-20</u></b>
Sales/(sales returns)	34	233	(93)	511
Purchases	(23)	(37)	(142)	(72)
Administrative and consultancy services	(58)	(53)	(137)	(272)
Rental income	129	119	387	377
Rental expenses	(312)	(323)	(948)	(895)

The above transactions had been entered into in the ordinary course of business on normal commercial terms.

*In thousands of RM*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
<b><u>With TCIL Group</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-20</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-20</u></b>
Sales	24	28	54	81
Purchases	6	(2)	-	(72)
Rental expenses	(15)	(16)	(45)	(52)

The above transactions had been entered into in the ordinary course of business on normal commercial terms.

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

*In thousands of RM*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30-Sep-21	Corresponding Quarter Ended 30-Sep-20	Cumulative Year To Date 30-Sep-21	Corresponding Year To Date 30-Sep-20
<u>Key management personnel</u>				
Director				
Rental expenses	-	(14)	(18)	(41)

The above transactions had been entered into in the ordinary course of business on normal commercial terms

**A12. MATERIAL SUBSEQUENT EVENT**

There were no material events subsequent to the end of the reporting period and up to the date of issuance of this report.

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

There were no changes in the composition of the Group for the quarter under review.

**A14. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent assets or contingent liabilities as at 30 September 2021.

**A15. CAPITAL COMMITMENTS**

*In thousands of RM*

	<u>30-Sep-21</u>	<u>30-Sep-20</u>
Contracted but not provided for	18,348	18,139

## **B1. OPERATING SEGMENTS REVIEW**

### **Statement of Financial Position**

As a result of the implementation of the “Full Movement Control Order” or FMCO by the authorities which began from 1 June 2021, all economic sectors in Malaysia were prohibited from operating with the exception of those involved in the essential economic and services sectors. The Group’s operations were effectively halted for a period of 75 to 90 days. This caused a reduction in the Group’s net assets per share as at 30 September 2021, by 3.1% to RM6.53, due largely to the losses registered during the 2<sup>nd</sup> and 3<sup>rd</sup> quarters of the year.

Notwithstanding the above, the Group’s financial standing remains relatively firm with shareholders’ funds of RM1.28 billion, cash and cash equivalents together with other investments amounting to RM274.7 million and net cash position (i.e., cash and cash equivalents plus other investments and deducting bank borrowings) of RM194.6 million.

### **Statement of Cash Flows and Capital Expenditure**

For the 9-month period ended 30 September 2021, the Group recorded a negative cashflow of RM77.7 million from operating activities, compared to positive cashflow of RM97.2 million of the corresponding period of previous year. This was mainly due to the following factors:-

- i) Loss incurred by the Group of RM11.3 million;
- ii) Increase in inventories by RM100 million due to build-up of raw materials previously ordered while the plants were prohibited from operating during the FMCO period. The build-up in materials purchases (especially steel bars) was in anticipation of further price hikes and disruption in the supply-chain; and
- iii) Higher payment of corporate income tax.

During this period, the Group withdrew RM56.9 million from its’ investment in unit trust compared to the increase of RM9.5 million a year before, resulting in financing activities generating net cash of RM23.3 million to the Group. Meanwhile, as reported in the last quarter, the Group successfully penned a joint venture (“**Joint Venture**”) with Hyundai Transys Inc. for the establishment of PT APM Hyundai Transys Indonesia to manufacture and supply automobile seats and their related parts and components to its counterpart in Indonesia, namely PT Hyundai Motor Manufacturing Indonesia. The amount of RM16.3 million, being the Group’s portion of the final tranche of capital for the Joint Venture, was disbursed on Q1’2021.

Net cash used in financing activities was higher at RM26.0 million as compared to RM7.3 million in the same period of last year. This increase was mainly due to the net repayment of bank loan during the 9-month period amounting to RM7.5 million by the Group versus its drawdown of RM14.5 million in the corresponding period.

As of 30 September 2021, the Group’s capital commitment stood at RM18.3 million, comprising the Group’s investments in tooling, machineries/equipment and development costs for supply of parts for new car models and upgrading of production facilities. The capital commitment will be funded internally and/or through bank borrowings. As part of the Group’s counter measures to conserve resources and cash during these difficult times, some of its planned capital expenditures have been deferred, wherever possible.

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

### **Statement of Cash Flows and Capital Expenditure (cont'd)**

The Group acknowledges that having sufficient cash reserves is essential in its pursuit of growth and expansion. Thus, the Group's liquidity remains intact as the Islamic Commercial Papers Programme and Islamic Medium Term Notes of up to RM1.5 billion in nominal value can be utilized for future capital investment, when required.

### **Analysis of Performance of All Operating Segments**

#### **Q3'21 vs. Q3'20**

The Group's revenue decreased by 47.7% in Q3'21 from RM333.8 million to RM174.7 million mainly due to the impact of COVID-19 pandemic in Malaysia. No revenue was generated when the FMCO was in force from 1 June 2021 to 15 August 2021.

With lower revenue and production overheads and administrative expenses, both of which remained relatively fixed, the Group registered Loss Before Tax ("LBT") of RM27.1 million for the quarter under review compared to Profit Before Tax ("PBT") of RM23.4 million in the same quarter last year.

#### **Year-to-date 2021 ("YTD 2021") vs. Year-to-date 2020 ("YTD 2020")**

Despite a decrease in the 3rd quarter of the year, the Group's YTD revenue experienced a slight increase by 5.8% to RM809.2 million from RM764.9 million a year ago. This increase was attributable to higher domestic and international Original Equipment Manufacturing ("OEM") and Replacement Market ("REM") customer demand in the 1<sup>st</sup> quarter of 2021 when the Malaysian automotive industry, driven by the government's short term national recovery plan or "Pelan Jana Semula Ekonomi Negara" or "PENJANA", was pivoting towards a recovery from the economic impact of the pandemic and contributions from the Group's Indonesia and Vietnam operations.

Despite the improved revenue, the escalation of costs in material, logistics and manpower caused the Group's bottom line to worsen from a PBT of RM1.0 million to a LBT of RM11.3 million for the first 9-month period of the year.

#### **Suspension Division**

The Suspension Division's revenue for the current quarter decreased by 56.5% to RM24.9 million from RM57.3 million same quarter of last year. This decrease was due to the temporary closure of the Group's plants for 75 to 90 days in view of the FMCO. Higher export and local OEM activities mitigated the impact of lockdown on YTD sales, which registered a marginal drop in revenue of 2.6% to RM110.0 million.

As its plants had to be closed for almost 2 months due to the FMCO, the Suspension Division registered LBT of RM5.0 million as the production overheads and administrative expenses remained relatively unchanged. Higher material prices and energy costs also contributed towards the LBT.

With two consecutive quarter loss, the Suspension Division's YTD LBT worsened to RM7.5 million compared to a loss of RM4.0 million reported in YTD 2020.

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

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

**Interior & Plastics Division**

According to the Malaysian Automotive Association's statistics, illustrated in the table below, Total Industry Production ("TIP") in Q3'21 and YTD 9-month period of the year decreased by 58% and 4% respectively for the reasons as explained earlier (i.e., longer lockdown period).

<b>Total Industry Production ("TIP") Volume</b>				
			<b>Variance</b>	
	<b>Year 2021</b>	<b>Year 2020</b>	<b>Units</b>	<b>%</b>
<b>1st Quarter</b>	147,086	108,444	38,642	36%
<b>2nd Quarter</b>	94,202	57,605	36,597	64%
<b>3rd Quarter</b>	62,708	149,814	(87,106)	-58%
<b>Total</b>	<b>303,996</b>	<b>315,863</b>	<b>(11,867)</b>	<b>-4%</b>

The Group's Interior & Plastics Division revenue is largely derived from the local carmakers. As such, the drop in revenue by 62.0% at RM90.4 million recorded by this Division is consistent with the decrease in TIP volume. With a lower revenue base while production overhead and operation expenses remained relatively fixed, this Division registered a LBT of RM12.4 million in 3Q'21 as compared to PBT of RM21.2 million in 3Q'20.

Likewise, for the 9-month period of the year, revenue of this Division decreased from RM525.3 million to RM517.4 million, for reasons as mentioned earlier. Higher material prices, logistics cost and staff expenses had also affected the YTD's profitability.

**Electrical & Heat Exchange Division**

The Electrical & Heat Exchange Division's revenue for the current quarter and YTD 2021 fell by 57.7% and 1.9% to RM12.7 million and RM59.3 million respectively, mainly due to lockdowns and restrictions that accompanied the imposition of the FMCO. With lower revenue coupled with higher provision for stock obsolescence, this Division ended the quarter at a LBT of RM3.5 million compared to LBT of RM0.2 million reported in Q3'20.

Consistent with the above, this Division YTD 2021's LBT increased to RM5.9 million from RM3.4 million a year ago.

**Marketing Division**

For the current quarter, the Marketing Division's revenue and bottom-line decreased by 43.6% to RM39.6 million and 112.9% to loss of RM0.2 million respectively where lockdowns and restrictions that accompanied the imposition of the FMCO were the main reasons for the decline.

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

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

**Marketing Division (cont'd)**

However, cushioned by strong sales recorded in the 1<sup>st</sup> half of the year, revenue in the Marketing Division for the 9-month period of 2021 increased by 8.6% to RM157.9 million and a PBT of RM3.6 million was recorded as compared to RM1.2 million in the same period of last year. The results were attributable to higher export demand (especially from America and Australia) and improved local REM sales as customers looked towards the formation of alternative sources of supply to mitigate the impact of market uncertainties. The surge in revenue for local REM was due largely to the shortage of imported parts caused by supply chain disruption experienced by competitors, especially those from Vietnam and China. Accordingly, the improved top-line translated into higher profitability.

**Non-reportable segment, Malaysia**

This segment comprises mainly operations relating to revenue received from sources that include rental of properties in Malaysia, provision of management services, and engineering and research services for companies within the Group. Revenue from these services and sources form part of inter-segment elimination for the total Group's results (as depicted in Note A9). This segment also includes the business of casting, machining and assembly of aluminum parts and component.

Non-reportable segment's revenue for 3Q 2021 decreased by 21.8% to RM10.2 million, mainly due to lower inter-group billing of services. Lower revenue and higher provision for staff cost contributed to the higher LBT for the Division.

On a YTD basis, this segment registered lower revenue by 10.7% at RM35.1 million from RM39.3 million a year ago, on the back of lower sales of motor vehicles due to cessation its distribution of motor vehicles in September 2020. Consistent with the lower revenue, the Division's LBT widened to RM7.0 million from RM4.8 million same period of last year. Higher staff costs also caused this segment to register higher losses.

**Indonesia Operations**

Indonesia Operations refer to the manufacture of suspension products such as coil springs, shock absorber and leaf springs as well as the Group's investment and participation in joint ventures and associate in Indonesia.

In February 2021, the government in Indonesia announced that it would provide a temporary tax break for cars to boost sales and assist its auto industry, which is and remains severely affected by the impact of the COVID-19 pandemic. The government in Indonesia also decided that from March 2021 to May 2021, luxury tax between 10% to 30% for certain car models would be abolished. This incentive has been extended to end of the year. Since then, most of the Group's OEM customers in Indonesia registered higher sales and resulted in a higher off-take for the order books of the coil spring segment. Meanwhile, demand for leaf springs also increased due to shortage of supply, especially imported leaf spring from China. In addition, customers have been stock-piling in anticipation of a price increase in view of the spike in prices and shortage of raw material (i.e. steel) globally. Consequently, the Indonesia Operations' revenue for 3Q'21 increased by 84.0% to RM24.1 million from RM13.1 million reported in 3Q'20.

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

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

**Indonesia Operations (cont'd)**

The Group's joint venture in Indonesia whose principal activities include the manufacturing and supply of interior and plastic parts to automotive OEM customers also benefited from the abolishment of luxury tax and reported higher profitability. Against the backdrop of higher revenue coupled with improved joint venture performance, the LBT of the Group's Indonesia Operations decreased by 59.3% to RM1.8 million in the current quarter.

Consistent with the better performance in current quarter, the Indonesia Operations' YTD revenue increased by 73.2% to RM60.2 million and YTD LBT reduced by 47.4% to RM7.0 million.

**All Other Segments**

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

Revenue for the Operations Outside of Malaysia experienced a drop of 9.2% to RM32.7 million year-on-year (YoY"), dominated by lower sales in Vietnam as the Vietnamese government imposed a blanket lockdown in July 21 for 19 provinces in South Vietnam where all economic activities were understandably reduced.

On the back of lower revenue, the Division posted LBT of RM1.1 million compared to PBT of RM1.6 million in the same quarter of last year. In addition, the Division's bottom line was also affected by higher costs incurred by our Australia operations due to lower productivity and delay in commencement of operation in Perth as a result of the lockdown. In addition, our operations in Australia benefitted from a local subsidy that was designed to support businesses affected by the COVID-19 called the "Job Keeper Payment Scheme" and the outcome contributed towards the Division's 3Q'2020 PBT.

For year-to-date of 2021, the Division's revenue increased from RM107.3 million to RM118.1 million mainly due to higher sales of leaf spring and air-conditions products in Vietnam and strong demand for local coach and train seats in Australia in the first half of the year. Accordingly, the Division posted a higher PBT of RM5.9 million compared to RM2.8 million in the previous corresponding period. Factors that contributed towards this outcome included better performance by our USA operations coupled with receipt of the COVID-19 financial assistance offered by the Government of USA in the 2<sup>nd</sup> quarter of 2021.



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

<i>In Thousands of RM</i>	Segment Revenue				Segment Profit/(Loss) Before Tax			
	30-Sep-21	30-Jun-21	Changes		30-Sep-21	30-Jun-21	Changes	
			Amount	%			Amount	%
Suspension	24,857	34,766	(9,909)	-28.5%	(5,046)	(4,106)	(940)	-22.9%
Interior & Plastics	90,374	156,782	(66,408)	-42.4%	(12,367)	(4,994)	(7,373)	-147.6%
Electricals & Heat Exchange	12,699	19,961	(7,262)	-36.4%	(3,502)	(2,217)	(1,285)	-58.0%
Marketing	39,641	49,226	(9,585)	-19.5%	(196)	529	(725)	-137.1%
Non-reportable segment	10,193	11,221	(1,028)	-9.2%	(3,162)	(2,494)	(668)	-26.8%
Indonesia Operations	24,134	17,087	7,047	41.2%	(1,794)	(2,832)	1,038	36.7%
All Other Segments	32,691	40,847	(8,156)	-20.0%	(1,108)	3,005	(4,113)	-136.9%
	234,589	329,890	(95,301)	-28.9%	(27,175)	(13,109)	(14,066)	-107.3%
Eliminations	(59,903)	(79,082)	19,179	24.3%	96	339	(243)	-71.7%
	174,686	250,808	(76,122)	-30.4%	(27,079)	(12,770)	(14,309)	-112.1%

The Group's revenue decreased quarter-on-quarter ("QoQ") by 30.4% in Q3'21 from RM250.8 million to RM174.7 million mainly due to the lack of revenue generation as all the Malaysia operations were closed for 75 to 90 days in view of the FMCO, which came into effect from 1 June 2021. Similar experiences were also shared by the Group's operations in Australia and Vietnam where restrictions such as those introduced in Malaysia were also implemented to combat the rise of COVID-19 cases. As such, all segments recorded lower revenue. On the other hand, the Group's Indonesia Operations recorded an increase in revenue by 41.2% compared to RM17.1 million in the preceding quarter mainly due to reasons explained in B1 above.

In tandem with lower revenue, the Group's registered a LBT of RM27.1 million compared to RM12.8 million reported in Q2'21.

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

APM is principally involved in the design, manufacturing, assembly and production of automotive and mobility components. APM's main operation is located in Malaysia but it is also present in various other jurisdictions including United States of America, Netherlands, Australia, Thailand, Vietnam, the Republic of Indonesia and recently, the United Kingdom.

Many had regarded 2021 to be the year of recovery following the devastating effects of the COVID-19 pandemic. Unfortunately, the unexpected rise in infectivity rate as well the emergence of the delta variant effectively dampened this prospect.

As a result, the entire automotive industry in Malaysia faces one of its sternest tests to-date when this entire sector, which is not an essential sector, was forced to a complete shutdown during the months of June, July and August 2021 following the implementation of the "Full Movement Control Order" by the authorities due to the rising rate of COVID-19 infection and fatalities.

According to the Malaysian Automotive Association ("MAA") (see: <https://paultan.org/2021/08/23/car-companies-in-malaysia-aiming-for-strong-sales-recovery-over-the-remainder-of-2021/>), the estimated losses from domestic vehicles sales alone amounted to more than RM14 billion.

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

However, with the recent easing of COVID-19 restrictions and barring the emergence of any new COVID-19 variant or any other unforeseen event, the automotive industry is poised to experience a recovery going forward.

As for the Group's operations in Malaysia, demand from OEM customers remain healthy and robust with production expected to be increased to meet customer requirements.

The extension of vehicle sales tax exemption until the middle of 2022 under the Budget 2022 is a welcome approach as it will undoubtedly boost domestic vehicle sales going into 2022 and drive the automotive ecosystem forward.

Notwithstanding the above, commercial challenges such as the shortage of semiconductors and the hike in logistics and raw material prices in the global front and labour shortages and inconsistency in the supply of materials locally continue to plague this sector.

Various segments of the Group are presently in talks with their customers and those in the replacement market for the implementation of a price increase to counter or mitigate the impact of market uncertainties.

Overall, the Group will maintain a cautious stance and exercise prudence in its approach as market conditions remain volatile. Focus on long term strategies for business sustainability will remain in the Group's radar as it continue to strive for greater success through mergers, acquisitions, strategic partnerships, joint-ventures and alliances.

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**B4. INCOME TAX EXPENSE**

<i>In thousands of RM</i>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Current Quarter Ended <u>30-Sep-21</u></b>	<b>Corresponding Quarter Ended <u>30-Sep-20</u></b>	<b>Cumulative Year To Date <u>30-Sep-21</u></b>	<b>Corresponding Year To Date <u>30-Sep-20</u></b>
<b><u>Current tax</u></b>				
- Current year	1,395	5,471	12,085	11,576
- Prior year	(1,847)	515	(1,339)	398
<b><u>Deferred tax</u></b>				
- Current year	(599)	(1,378)	(2,895)	(7,446)
- Prior year	(776)	(146)	192	206
Withholding Tax	38	5	98	19
	<b>(1,789)</b>	<b>4,467</b>	<b>8,141</b>	<b>4,753</b>

The Group's effective tax rate for the 9-month financial period ended 30 September 2021 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 PROPOSAL**

There was no corporate proposal announced but not completed as at the reporting date.

**B6. TRADE RECEIVABLES**

<i>In thousands of RM</i>	<b>Gross</b>	<b>Impairment</b>	<b>Net</b>
<b><u>30-Sep-21</u></b>			
Not past due	135,088	(8)	135,080
Past due 1 - 90 days	10,293	(73)	10,220
Past due 91 - 180 days	2,243	(533)	1,710
	<b>147,624</b>	<b>(614)</b>	<b>147,010</b>
<b><u>Credit impaired</u></b>			
Past due more than 180 days	3,747	(3,747)	-
Individually impaired	1,262	(1,262)	-
	<b>152,633</b>	<b>(5,623)</b>	<b>147,010</b>
<b><u>31-Dec-20</u></b>			
Not past due	208,070	(108)	207,962
Past due 1 - 90 days	9,341	(191)	9,150
Past due 91 - 180 days	1,563	(183)	1,380
	<b>218,974</b>	<b>(482)</b>	<b>218,492</b>
<b><u>Credit impaired</u></b>			
Past due more than 180 days	2,718	(2,718)	-
Individually impaired	1,445	(1,445)	-
	<b>223,137</b>	<b>(4,645)</b>	<b>218,492</b>

The trade receivables from both related parties and non-related parties are given 30 to 90 days credit term.

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**B6. TRADE RECEIVABLES (CONT'D)**

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 who 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 30 September 2021 are as follows:

*In thousands of RM*

Type Derivatives	Nominal Amount	Net Fair Value Assets / (Liabilities)	Maturity
Forward foreign exchange contracts	20,199	(146)	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 2020. There is no change to the Group's financial risk management policies in managing these derivative financial instruments and their related accounting policies.

**B8. BORROWINGS AND DEBT SECURITIES**

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

<i>In thousands of RM</i>	<b>30-Sep-21</b>	<b>31-Dec-20</b>
Unsecured - Foreign currency loans	54,732	58,613
- Revolving credit	25,368	28,978
	<u>80,100</u>	<u>87,591</u>
Amount due within the next 12 months	80,100	87,399
Amount due between two to five years	-	192

*In thousands of RM*

Functional Currency	Denominated In	<b>30-Sep-21</b>	<b>31-Dec-20</b>
RM	RM	25,368	28,978
EUR	EUR	903	1,304
AUD	AUD	12,822	18,676
IDR	IDR	23,999	35,475
IDR	USD	14,849	876
USD	USD	2,159	2,282
		<u>80,100</u>	<u>87,591</u>

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**B8. BORROWINGS AND DEBT SECURITIES (CONT'D)**

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

The Group borrowings are subject to interest ranging from 0.26% to 7.40% (2020: 0.25% to 7.40%) per annum.

**B9. CHANGES IN MATERIAL LITIGATION**

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

**B10. DIVIDEND**

No dividend has been proposed for the current quarter ended 30 September 2021.

**B11. EARNINGS/(LOSS) PER SHARE**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
Loss attributable to the owners of the Company (RM'000)	(25,668)	13,799	(27,675)	(13,284)
Weighted average number of ordinary shares in issue ('000)	195,494	195,497	195,494	195,497
<b>Basic (LPS)/EPS (sen)</b>	<b>(13.13)</b>	<b>7.06</b>	<b>(14.16)</b>	<b>(6.79)</b>

The total number of ordinary shares issued by the Company as at 30 September 2021 was 195,494,300 (30 September 2020: 195,494,300).

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**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>	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>(Unaudited)</b> <b>Current</b> <b>Quarter Ended</b> <b>30-Sep-21</b>	<b>(Unaudited)</b> <b>Corresponding</b> <b>Quarter Ended</b> <b>30-Sep-20</b>	<b>(Unaudited)</b> <b>Cumulative</b> <b>Year To Date</b> <b>30-Sep-21</b>	<b>(Unaudited)</b> <b>Corresponding</b> <b>Year To Date</b> <b>30-Sep-20</b>
(a) Interest income	(1,144)	(1,554)	(3,818)	(6,314)
(b) Interest expense	1,048	1,243	3,430	3,891
(c) Depreciation and Amortization	15,190	14,665	45,657	43,180
(d) Net impairment loss on trade receivables	1,056	733	1,006	222
(e) Provision for slow moving stock	1,607	968	1,678	1,041
(f) Net gain on disposal of property, plant and equipment	(25)	(28)	(108)	(216)
(g) Net foreign exchange (gain)/loss	(196)	662	(857)	2,477
(h) Gain on derivatives	(78)	(139)	(164)	(247)

**B13. AUTHORISATION FOR ISSUE**

The condensed consolidated interim financial statements have been authorized for issue by the Board of Directors in accordance with its resolution on 19 November 2021.

**BY ORDER OF THE BOARD**

KHOO PENG PENG  
 SOO SHIOW FANG  
 Company Secretaries  
 Kuala Lumpur  
 Dated: 19 November 2021