



APM AUTOMOTIVE HOLDINGS BERHAD

Registration No. 199701009342 (424838-D)

(Incorporated in Malaysia)

INTERIM REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2025

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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 31 MARCH 2025 – unaudited

	INDIVIDUAL QUARTER		
	Current Quarter Ended 31-Mar-2025	Corresponding Quarter Ended 31-Mar-2024	Change
<i>In thousands of RM</i>			
Revenue	499,727	490,387	1.9%
Profit from operating activities	31,565	30,903	2.1%
Finance costs	(4,580)	(2,227)	-105.7%
Finance income	4,491	3,125	43.7%
Share of profit of equity-accounted associates and joint ventures, net of tax	2,576	3,962	-35.0%
Profit before tax	34,052	35,763	-4.8%
Income tax expense	(8,663)	(7,950)	-9.0%
Profit for the period	25,389	27,813	-8.7%
Other comprehensive expense, net of tax			
Items that will be reclassified subsequently to profit or loss			
Foreign currency translation differences for consolidated subsidiaries	(5,036)	(2,080)	-142.1%
Foreign currency translation differences for equity-accounted associates and joint ventures	(2,568)	(524)	-390.1%
Other comprehensive expense for the period, net of tax	(7,604)	(2,604)	-192.0%
Total comprehensive income for the period	17,785	25,209	-29.4%
Profit attributable to:			
Owners of the Company	18,603	20,209	-7.9%
Non-controlling interests	6,786	7,604	-10.8%
Profit for the period	25,389	27,813	-8.7%
Total comprehensive income attributable to:			
Owners of the Company	11,008	17,609	-37.5%
Non-controlling interests	6,777	7,600	-10.8%
Total comprehensive income for the period	17,785	25,209	-29.4%
Earnings per ordinary share			
Basic (sen)	9.52	10.34	-7.9%

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 2024 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025 – unaudited

<i>In thousands of RM</i>	As at 31-Mar-2025	As at 31-Dec-2024 (Audited)
Assets		
Property, plant and equipment	664,552	682,614
Investment properties	115,280	115,280
Investments in associates	37,532	36,697
Investments in joint ventures	100,716	101,544
Other investments	3,986	3,986
Intangible assets	17,057	17,189
Deferred tax assets	43,335	39,661
Total non-current assets	982,458	996,971
Inventories	309,154	365,482
Other investments	118,432	111,605
Current tax assets	4,808	4,326
Trade and other receivables, including derivatives	426,166	406,799
Cash and cash equivalents	498,770	528,419
Total current assets	1,357,330	1,416,631
Total assets	2,339,788	2,413,602
Equity		
Share capital	219,498	219,498
Reserves	1,209,399	1,233,580
Treasury shares	(13,506)	(13,506)
Equity attributable to owners of the Company	1,415,391	1,439,572
Non-controlling interests	72,849	76,071
Total equity	1,488,240	1,515,643
Liabilities		
Employee benefits	40,635	40,353
Lease liabilities	18,860	18,953
Loans and borrowings	200,000	200,000
Deferred tax liabilities	74,551	76,511
Total non-current liabilities	334,046	335,817
Loans and borrowings	132,979	139,909
Lease liabilities	5,074	5,428
Trade and other payables, including derivatives	361,546	400,024
Current tax liabilities	17,903	16,781
Total current liabilities	517,502	562,142
Total liabilities	851,548	897,959
Total equity and liabilities	2,339,788	2,413,602
Net assets per share attributable to owners of the Company* (RM)	7.24	7.36

**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 2024 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2025 – unaudited**

	<----- Attributable to the owners of the Company ----->						<----- Non-Distributable -----> Distributable	
	Share capital	Treasury shares	Revaluation reserve	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
<i>In thousands of RM</i>								
At 1-Jan-2024	219,498	(13,506)	250,490	13,687	959,843	1,430,012	73,704	1,503,716
Foreign currency translation differences for consolidated subsidiaries	-	-	-	(2,080)	-	(2,080)	-	(2,080)
Foreign currency translation differences for equity-accounted associates and joint ventures	-	-	-	(520)	-	(520)	(4)	(524)
Transfer of revaluation surplus on properties and right-of-use assets	-	-	(4,112)	-	4,112	-	-	-
Total other comprehensive income for the period	-	-	(4,112)	(2,600)	4,112	(2,600)	(4)	(2,604)
Profit for the period	-	-	-	-	20,209	20,209	7,604	27,813
Total comprehensive income for the period	-	-	(4,112)	(2,600)	24,321	17,609	7,600	25,209
Dividends to owners of the Company	-	-	-	-	(21,504)	(21,504)	-	(21,504)
Dividends to non-controlling interests	-	-	-	-	-	-	(10,000)	(10,000)
Total transactions with owners of the Company	-	-	-	-	(21,504)	(21,504)	(10,000)	(31,504)
At 31-Mar-2024	219,498	(13,506)	246,378	11,087	962,660	1,426,117	71,304	1,497,421
At 1-Jan-2025	219,498	(13,506)	227,502	(21,308)	1,027,386	1,439,572	76,071	1,515,643
Foreign currency translation differences for consolidated subsidiaries	-	-	-	(5,057)	-	(5,057)	21	(5,036)
Foreign currency translation differences for equity-accounted associates and joint ventures	-	-	-	(2,538)	-	(2,538)	(30)	(2,568)
Transfer of revaluation surplus on properties and right-of-use assets	-	-	(4,049)	-	4,049	-	-	-
Total other comprehensive income for the period	-	-	(4,049)	(7,595)	4,049	(7,595)	(9)	(7,604)
Profit for the period	-	-	-	-	18,603	18,603	6,786	25,389
Total comprehensive income for the period	-	-	(4,049)	(7,595)	22,652	11,008	6,777	17,785
Dividends to owners of the Company	-	-	-	-	(35,189)	(35,189)	-	(35,189)
Dividends to non-controlling interests	-	-	-	-	-	-	(9,999)	(9,999)
Total transactions with owners of the Company	-	-	-	-	(35,189)	(35,189)	(9,999)	(45,188)
At 31-Mar-2025	219,498	(13,506)	223,453	(28,903)	1,014,849	1,415,391	72,849	1,488,240

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2025 – unaudited**

<i>In thousands of RM</i>	For the 3 months period ended 31-Mar-2025	For the 3 months period ended 31-Mar-2024
Cash flows from operating activities		
Profit before tax and non-controlling interests	34,052	35,763
Adjustments for non-cash items:		
Amortisation of intangible assets	191	581
Depreciation of property, plant and equipment	16,667	16,642
Share of profit of equity-accounted associates and joint ventures, net of tax	(2,576)	(3,962)
Others	(1,816)	176
Operating profit before changes in working capital	46,518	49,200
Deposits and prepayments	(32,126)	(3,660)
Inventories	55,942	60,184
Trade and other payables, including derivatives	(37,643)	(79,410)
Trade and other receivables, including derivatives	11,290	(27,331)
Cash generated from/(used in) operations	43,981	(1,017)
Employee benefits paid	(678)	(719)
Net interest (paid)/received	(89)	897
Warranties paid	(406)	(471)
Net income tax paid	(13,730)	(5,379)
Net cash generated from/(used in) operating activities	29,078	(6,689)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(1,856)	(28,229)
Additions of intangible assets	(122)	(629)
Net increase in other investments	(5,015)	-
Investments in associates	-	(4,400)
Proceeds from disposal of property, plant and equipment	1,081	166
Net cash used in investing activities	(5,912)	(33,092)
Cash flows from financing activities		
Payment of lease liabilities	(679)	(540)
Dividends paid to non-controlling interests	(9,999)	(10,000)
Dividends paid to owners of the Company	(35,189)	(21,504)
Net repayment of loans and borrowings	(6,930)	(1,149)
Net cash used in financing activities	(52,797)	(33,193)
Net decrease in cash and cash equivalents	(29,631)	(72,974)
Effect of exchange rate fluctuations	(18)	10
Cash and cash equivalents at 1 January	528,419	478,689
Cash and cash equivalents at the end of period	498,770	405,725
Cash and cash equivalents at the end of period comprise the following:		
Deposits placed with licensed banks and financial institutions	392,585	353,576
Cash and bank balances	106,185	52,149
	498,770	405,725

The above condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2024 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 of the Group for the financial year ended 31 December 2024. 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 2024.

A2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Group have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”) and IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

During the financial year, 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 2025:

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

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 to the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

A2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

MFRS Accounting Standards, 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 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026; and
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027, except for MFRS 19 which is not applicable to the Group.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impacts to the current period and prior period financial statements of the Group other than MFRS 18 which may impact the presentation of the statement of profit or loss and other comprehensive income in the period of initial application.

A3. AUDIT QUALIFICATIONS

There were no audit qualifications in the annual financial statements of the Group for the year ended 31 December 2024.

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 31 March 2025.

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

Under the Islamic Medium-Term Notes (“Sukuk Murabahah”) Programme of RM1.5 billion, the outstanding nominal value of Islamic Medium-Term Notes (“IMTN”) stood at RM250.0 million at the end of the financial quarter.

Save for the above, there were no other issuances, repurchases, resale or repayment of debts and equity securities in the current interim period and financial year to-date.

A8. DIVIDENDS PAID

An interim single tier dividend of 18.0 sen per ordinary share (2024: 11.0 sen) totalling RM35.2 million (2024: RM21.5 million) in respect of the financial year ended 31 December 2024 was paid on 27 March 2025.

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; casting, machining and assembly of aluminum parts and components;
- *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; 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, Canada, the United States of America, the Netherlands, Thailand, Myanmar and the United Kingdom.

A9. SEGMENTAL INFORMATION (CONT'D)

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.

In thousands of RM

INDIVIDUAL QUARTER

	31-Mar-2025		31-Mar-2024	
	Segment Revenue	Profit/(loss) before tax	Segment Revenue	Profit/(loss) before tax
Suspension	48,979	(1,086)	58,453	1,639
Interior & Plastics	393,736	33,750	379,213	34,671
Electrical & Heat Exchange	33,554	605	37,336	383
Marketing	68,087	1,346	68,671	1,831
Non-Reportable Segment	13,171	(983)	12,131	(2,006)
Indonesia Operations	23,004	1,926	21,919	1,060
All Other Segments	39,620	(1,193)	39,371	(2,413)
	620,151	34,365	617,094	35,165
Eliminations	(120,424)	(313)	(126,707)	598
	499,727	34,052	490,387	35,763

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

The valuations of properties, right-of-use assets and investment properties were brought forward without amendment from the annual financial statements for the year ended 31 December 2024.

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 a Director of the Company, namely Dato’ Tan Heng Chew, is deemed to have substantial interests are as follows:

In thousands of RM

	INDIVIDUAL QUARTER	
	Current	Corresponding
	Quarter Ended	Quarter Ended
<u>With TCMH Group</u>	<u>31-Mar-2025</u>	<u>31-Mar-2024</u>
Sales	3,898	4,250
Provision of services	151	144
Purchases	(577)	(290)
Administrative and consultancy services	(186)	(290)
Insurance	(5,102)	(4,774)
Rental expenses	(132)	(133)
Rental income	532	389

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

In thousands of RM

	INDIVIDUAL QUARTER	
	Current	Corresponding
	Quarter Ended	Quarter Ended
<u>With WTCH Group</u>	<u>31-Mar-2025</u>	<u>31-Mar-2024</u>
Sales	4,021	17
Purchases	(47)	(53)
Administrative and consultancy services	(139)	(394)
Rental expenses	(396)	(363)
Rental income	83	129

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

In thousands of RM

	INDIVIDUAL QUARTER	
	Current	Corresponding
	Quarter Ended	Quarter Ended
<u>With TCIL Group</u>	<u>31-Mar-2025</u>	<u>31-Mar-2024</u>
Sales	50	77
Rental expenses	(15)	(24)

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 except for the following:

On 13 March 2025, the Group incorporated a 60% owned subsidiary, namely Frontedge Auto Parts Malaysia Sdn. Bhd. with initial paid-up capital of RM1,000. Frontedge Auto Parts Malaysia Sdn. Bhd. is incorporated for the intended principal activity of manufacture and sale of automotive parts and components.

The formation of the new subsidiary had no material financial or operational effects on the Group for the quarter ended 31 March 2025.

A14. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets or contingent liabilities as at 31 March 2025.

A15. CAPITAL COMMITMENTS

In thousands of RM

	31-Mar-2025	31-Mar-2024
Contracted but not provided for	29,568	15,546

B1. OPERATING SEGMENTS REVIEW

Statement of Financial Position

The Group's financial standing remained robust with shareholders' fund of RM1.5 billion and a net cash position of RM284.2 million as at 31 March 2025 (i.e. cash and cash equivalents plus other investments (current assets) and less bank borrowings). The Group's current ratio (i.e. Current Ratio = Current Assets/Current Liabilities) improved from 2.52 times to 2.62 times. This improvement was primarily driven by faster inventory turnover and a reduction in trade and other payables, which declined by RM38 million or 9.6% in Q1 2025 compared to 31 December 2024.

The Group's net assets per share decreased from RM7.36 as at 31 December 2024 to RM7.24 as at 31 March 2025. The decline was mainly attributable to dividend payments totalling RM35.2 million to shareholders and RM10.0 million to non-controlling interests during the quarter. Additionally, the strengthening of the Malaysian Ringgit led to unfavourable foreign currency translation effects on the Group's foreign subsidiaries, associates, and joint ventures, further contributing to the reduction in net assets per share.

Statement of Cash Flows and Capital Expenditure

For the current quarter ended 31 March 2025, the Group recorded a net decrease in cash and cash equivalents of RM29.6 million from RM528.4 million as of 31 December 2024 to RM498.8 million as of 31 March 2025. The negative cash flow movement was attributed to the following factors:-

- i) Net cash generated from operating activities of RM29.1 million that was mainly driven by pre-tax profit of RM34.1 million and lower inventory holding resulting in positive changes of RM55.9 million, offset by higher deposits and prepayments balance which resulted in negative changes of RM32.1 million and settlement of trade and other payables resulting in negative changes of RM37.6 million;
- ii) Net cash used in investing activities of RM5.9 million mainly for the investments in unit trusts amounting to RM5.0 million; and
- iii) Net cash used in financing activities of RM52.8 million mainly due to the payment of dividend to owners of the Company totalling RM35.2 million, payment of dividend to non-controlling interests totalling RM10.0 million, net repayment of loans and borrowings amounting to RM6.9 million.

As of 31 March 2025, the Group's capital commitment stood at RM29.6 million comprising primarily the Group's investment in tooling, machineries/equipment and development costs for the supply of parts for new vehicle models and the construction of a new production facility. The capital commitment is funded internally and through bank borrowings.

The Group recognizes that the retention of sufficient cash reserves is essential in the pursuit of growth and expansion. Thus, the Group's liquidity remains intact as the balance of Islamic Medium-Term Notes of up to RM1.25 billion in nominal value, as of the date of this report, can be utilized for future capital investment, if and when required.

B1. OPERATING SEGMENTS REVIEW (CONT'D)

Analysis of Performance of All Operating Segments

Q1'2025 vs. Q1'2024

For the current quarter ended 31 March 2025, the Group recorded revenue of RM499.7 million, an increase of 1.9% compared with revenue of RM490.4 million in the corresponding quarter ended 31 March 2024. The higher revenue in Q1'2025 was driven by the commencement of supply for certain new models launched in Malaysia since Q2'2024.

Despite recording higher revenue, the Group's profit before tax ("PBT") reduced slightly from RM35.8 million in the corresponding quarter ended 31 March 2024 to RM34.1 million in the current quarter ended 31 March 2025. The lower PBT was mainly due to the higher finance costs associated with the additional issuance of IMTN in Q2'2024 and the lower share of profit from the Group's associates and joint ventures.

Suspension Division

For the current quarter ended 31 March 2025, the Suspension Division recorded a 16.2% decrease in revenue (Q1'2025: RM49.0 million; Q1'2024: RM58.5 million) mainly due to the softening of local OEM market. In line with the lower revenue and unfavourable sales mix, the Suspension division registered a LBT of RM1.1 million compared to PBT of RM1.6 million in the corresponding quarter of last year.

Interior & Plastics Division

For the current quarter ended 31 March 2025, the Interior & Plastics Division recorded a 3.8% increase in revenue (Q1'2025: RM393.7 million; Q1'2024: RM379.2 million) mainly due to the commencement of supply for certain new OEM models since Q2'2024. Despite recording higher revenue, PBT reduced by 2.7% (Q1'2025: RM33.8 million; Q1'2024: RM34.7 million). The higher PBT in Q1'2024 was boosted by the recovery of development expenditures for certain OEM model.

Electrical & Heat Exchange Division

For the current quarter ended 31 March 2025, the Electrical & Heat Exchange Division registered a 10.1% decrease in revenue (Q1'2025: RM33.6 million; Q1'2024: RM37.3 million) mainly due to the lower call-ins from certain OEM customers. Despite recording lower revenue, PBT improved to RM0.6 million (Q1'2024: RM0.4 million) due to upward price adjustment and claims received from a customer.

Marketing Division

For the current quarter ended 31 March 2025, the Marketing Division recorded revenue of RM68.1 million, marginally lower than the RM68.7 million recorded in the corresponding period last year. Despite the relatively stable revenue, the Division registered a lower PBT of RM1.3 million compared to PBT of RM1.8 million in Q1'2024. The decline in PBT was mainly due to higher unrealized foreign exchange gains recognised in Q1'2024 which arose from trade receivables denominated in foreign currencies.

B1. OPERATING SEGMENTS REVIEW (CONT'D)

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

Non-Reportable Segment, Malaysia

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

For the current quarter ended 31 March 2025, this segment's revenue increased by 8.6% to RM13.2 million from RM12.1 million in Q1'2024, mainly due to higher inter-group billing of services. In line with the higher revenue and unrealized fair value gains from other investments, this segment recorded a lower LBT of RM1.0 million compared to LBT RM2.0 million in the corresponding quarter of last year.

Indonesia Operations

Indonesia Operations refer to the manufacturing and supply of suspension products such as coil springs, shock absorbers and leaf springs as well as the Group's investment and participation in joint ventures and associates in Indonesia.

For the current quarter ended 31 March 2025, the Indonesia Operations recorded revenue of RM23.0 million, an increase of 5.0% compared to RM21.9 million in the corresponding quarter of last year. The increase in revenue was primarily due to the start of supply to a new OEM customer. In line with the higher revenue and coupled with the write-back of provisions for slow-moving inventories, the Indonesia Operations recorded a higher PBT of RM1.9 million compared to PBT of RM1.1 million in the corresponding quarter of last year.

All Other Segments

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

For the current quarter ended 31 March 2025, Operations Outside of Malaysia recorded revenue of RM39.6 million, essentially flat from the RM39.4 million recorded in the same period last year. Despite the flat revenue, this segment reported a lower LBT of RM1.2 million compared to LBT of RM2.4 million in the corresponding quarter of last year, mainly due to the gain from the disposal of a production line in the Thailand operations.

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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			
	31-Mar-25	31-Dec-24	Changes		31-Mar-25	31-Dec-24	Changes	
			Amount	%			Amount	%
Suspension	48,979	56,434	(7,455)	-13.2%	(1,086)	(1,070)	(16)	-1.5%
Interior & Plastics	393,736	492,931	(99,195)	-20.1%	33,750	49,113	(15,363)	-31.3%
Electrical & Heat Exchange	33,554	38,882	(5,328)	-13.7%	605	4,089	(3,484)	-85.2%
Marketing	68,087	62,605	5,482	8.8%	1,346	3,908	(2,562)	-65.6%
Non-Reportable Segment	13,171	15,497	(2,326)	-15.0%	(983)	667	(1,650)	-247.4%
Indonesia Operations	23,004	24,210	(1,206)	-5.0%	1,926	2,360	(434)	-18.4%
All Other Segments	39,620	32,466	7,154	22.0%	(1,193)	(3,972)	2,779	70.0%
	620,151	723,025	(102,874)	-14.2%	34,365	55,095	(20,730)	-37.6%
Eliminations	(120,424)	(133,012)	12,588	9.5%	(313)	(460)	147	32.0%
	499,727	590,013	(90,286)	-15.3%	34,052	54,635	(20,583)	-37.7%

The Group's revenue reduced quarter-on-quarter ("QoQ") by 15.3% in Q1'2025 from RM590.0 million in Q4'2024 to RM499.7 million, mainly due to a slowdown in local OEM segment in Malaysia following a record TIV in 2024. The decrease was partially offset by stronger demand in the Export segment due to the year-end holidays in Q4'2024.

Consequently, the Group's PBT for the quarter under review was lower at RM34.1 million (-37.7% QoQ) mainly due to the following reasons:

- Lower PBT contribution from Interior & Plastics division (Q1'2025 PBT RM33.8 million; Q4'2024 PBT RM49.1 million) in line with the lower revenue due to slowdown in OEM segment as explained above;
- Lower PBT contribution from Electrical & Heat Exchange division (Q1'2025 PBT RM0.6 million; Q4'2024 PBT RM4.1 million) mainly due to upward price adjustment and claims received from a customer in Q4'2024; and
- Despite the higher revenue, Marketing division registered a lower PBT of RM1.3 million (Q4'2024: RM3.9 million), mainly due to the unrealized foreign exchange gains recorded in Q4'2024 which arose from trade receivables balances denominated in foreign currencies.

B3. COMMENTARY ON PROSPECTS, TARGETS, STRATEGIES AND RISKS

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

Following a record year for Malaysia's automotive industry in 2024—both in terms of sales and production—the Total Industry Volume (TIV) and Total Industry Production (TIP) declined in the first quarter of 2025, as anticipated. TIV for Q1 2025 decreased by 7% to 188,122 units from 203,137 units in Q1 2024, while TIP dropped by 16% to 177,603 units from 210,527 units in Q1 2024. Looking ahead, the Group expects both TIV and TIP in Malaysia to moderate for the remainder of 2025 compared to 2024, due to shrinking order backlogs and the rising share of electric vehicle sales, which are predominantly imported as Completely Built-Up (CBU) units. Nevertheless, demand for A-segment passenger vehicles remains robust and is expected to stay relatively stable.

Despite prevailing tariffs and trade-related challenges, the REM and Export segments remained relatively stable in the first quarter of 2025. However, uncertainties persist for the remainder of the year. The Group anticipates continued headwinds in the domestic REM segment, driven by intense competition from imported goods. In the Export segment, the Group remains focused on strengthening its presence in key international markets, particularly the United States, Australia and Europe.

Overseas operations are similarly affected by tariff-related uncertainty and the ongoing trade war. In Indonesia, the automotive industry is facing a series of challenges, resulting in a decline in vehicle sales. Despite these conditions, the Group remains cautiously optimistic, supported by a diversified customer base and broad product portfolio. The entry of new Chinese carmakers could offer new growth opportunities.

The Group remains fully aware of the challenges currently facing the global economy. Geopolitical tensions remain elevated, and any further escalation may result in renewed financial market volatility and wider disruptions to economic activity. In light of these ongoing uncertainties, the Group will continue to adopt a prudent and cautious approach in managing its operations.

Looking ahead, the Group remains committed to the execution of its five-year strategic plan, aimed at strengthening long-term business sustainability and consistently delivering value to shareholders.

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B4. INCOME TAX EXPENSE

<i>In thousands of RM</i>	INDIVIDUAL QUARTER	
	Current Quarter Ended 31-Mar-2025	Corresponding Quarter Ended 31-Mar-2024
<u>Current tax</u>		
- Current year	14,451	11,310
- Prior year	(62)	(81)
<u>Deferred tax</u>		
- Current year	(5,048)	(3,446)
- Prior year	(678)	119
Withholding tax	-	48
	<u>8,663</u>	<u>7,950</u>

The Group's effective tax rate for the financial period ended 31 March 2025 is higher than the statutory tax rate largely due to current period 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 15 May 2025.

B6. TRADE RECEIVABLES

<i>In thousands of RM</i>	Gross	Impairment	Net
<u>31-Mar-2025</u>			
Not past due	245,293	(176)	245,117
Past due 1 - 90 days	47,319	(491)	46,828
Past due 91 - 180 days	36,732	(233)	36,499
Past due more than 180 days	4,152	-	4,152
	<u>333,496</u>	<u>(900)</u>	<u>332,596</u>
<u>Credit impaired</u>			
Past due more than 180 days	960	(960)	-
Individually impaired	3,382	(3,382)	-
	<u>337,838</u>	<u>(5,242)</u>	<u>332,596</u>
<u>31-Dec-2024</u>			
Not past due	286,239	(180)	286,059
Past due 1 - 90 days	52,823	(640)	52,183
Past due 91 - 180 days	5,113	(405)	4,708
	<u>344,175</u>	<u>(1,225)</u>	<u>342,950</u>
<u>Credit impaired</u>			
Past due more than 180 days	944	(944)	-
Individually impaired	3,446	(3,446)	-
	<u>348,565</u>	<u>(5,615)</u>	<u>342,950</u>

The trade receivables are given 30 to 90 days credit terms.

The Group has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable 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 closely individually.

B7. FINANCIAL INSTRUMENTS AND REALISED AND UNREALISED PROFITS

Derivatives

The outstanding forward foreign currency contracts entered as at 31 March 2025 are as follows:

In thousands of RM

Type Derivatives	Nominal Amount	Net Fair Value Assets / (Liabilities)	Maturity
Forward foreign exchange contracts	398	(1)	Less than 1 year

Derivative financial instruments entered by the Group are similar to those disclosed in the consolidated annual financial statements for the year ended 31 December 2024. 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>		31-Mar-2025	31-Dec-2024
Unsecured	- Foreign currency borrowings	32,807	34,814
	- Local currency borrowings	300,172	305,095
		<u>332,979</u>	<u>339,909</u>
Amount due within the next 12 months		<u>132,979</u>	<u>139,909</u>
Amount due between one to five years		<u>100,000</u>	<u>100,000</u>
Amount due more than five years		<u>100,000</u>	<u>100,000</u>

In thousands of RM

<u>Functional Currency</u>	<u>Denominated In</u>	31-Mar-2025	31-Dec-2024
RM	RM	300,172	305,095
USD	EUR	151	372
AUD	AUD	19,489	19,441
IDR	IDR	13,167	14,815
IDR	USD	-	186
		<u>332,979</u>	<u>339,909</u>

B8. BORROWINGS AND DEBT SECURITIES (CONT'D)

The borrowings due within the next 12 months consist of bank trade facilities and the Islamic Medium-Term Notes (“**IMTN**”) issued on 15 August 2022 with a maturity date on 15 August 2025, while the borrowings due between 1 and 7 years consist of the IMTN issued in the financial year 2024. Both these borrowings are utilized for working capital purposes.

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 at rates ranging from 3.82% to 9.55% (2024: 3.84% to 9.90%) 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 31 March 2025.

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	
	31-Mar-2025	31-Mar-2024
Profit attributable to the owners of the Company (RM'000)	18,603	20,209
Weighted average number of ordinary shares in issue ('000)	195,494	195,494
Basic EPS (sen)	9.52	10.34

The total number of ordinary shares issued by the Company, net of treasury shares as at 31 March 2025 was 195,494,300 (31 March 2024: 195,494,300).

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	
	(Unaudited) Current Quarter Ended 31-Mar-2025	(Unaudited) Corresponding Quarter Ended 31-Mar-2024
(a) Interest income	(4,491)	(3,125)
(b) Interest expense	4,580	2,227
(c) Depreciation and amortisation	16,858	17,223
(d) Net remeasurement of loss allowance on trade receivables	(279)	(578)
(e) (Write-back)/Provision for slow moving inventory	(840)	183
(f) Net gain on disposal of property, plant and equipment	(1,067)	(134)
(g) Net foreign exchange loss/(gain)	980	(1,739)
(h) Net gain on derivatives	(929)	(135)

BY ORDER OF THE BOARD

SOO SHIOW FANG
Company Secretary
Kuala Lumpur
Dated: 23 May 2025