



**APM Automotive Holdings  
Berhad**

# **FY2018 Third-quarter financial results**

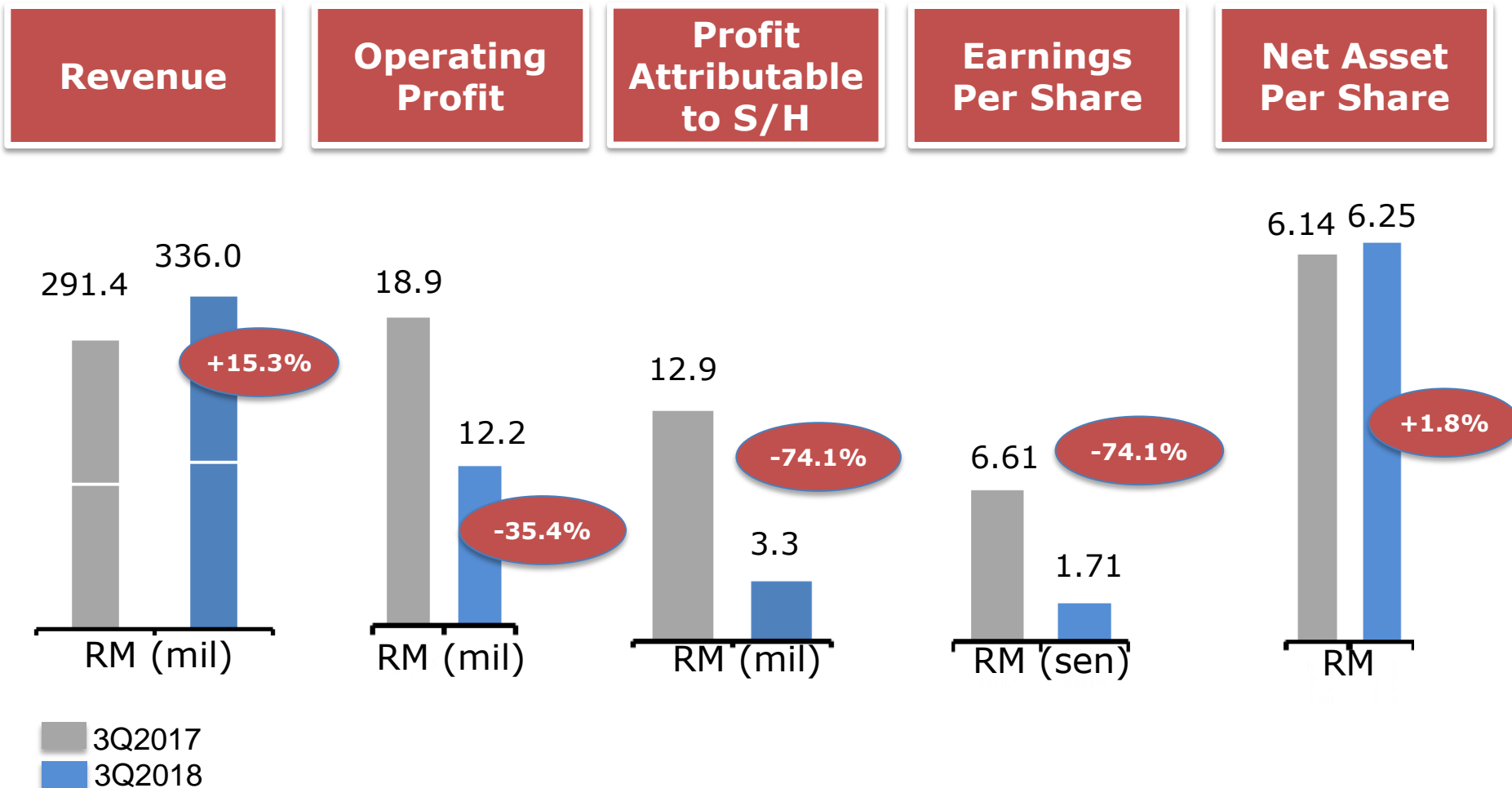
## **Cautionary Statement with Respect to Forward-Looking Statements**

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These factors include (i) changes in economic conditions, currency exchange rates, the laws, regulations, government policies, or political instability in the market place, (ii) circumstances relating to our ability to introduce, in a timely manner, and achieve market acceptance of new products, and (iii) shortage of fuel or interruptions in transportation systems, labor strikes, work stoppages, or other interruptions to or difficulties in the employment of labor in the major markets where we purchase materials, components, and supplies for the production of our products or where our products are produced, distributed, or sold.

# Key performance indicators



**Higher revenue (YoY) due to increase in OEM sales**

# **3Q18 Operation & Financial Review**

## **Business Update**

# 3Q18 financial review

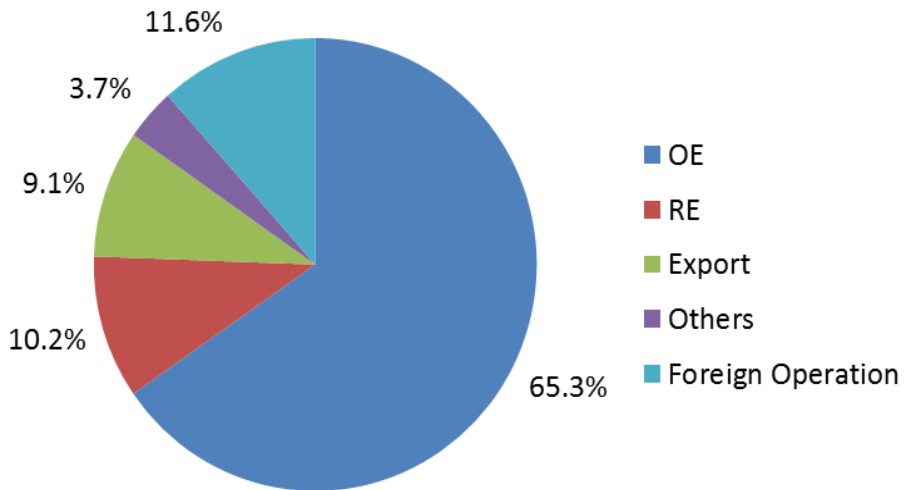
RM'000	3Q18	2Q18	3Q17	QoQ	YoY
				3Q18 vs 2Q18	3Q18 vs 3Q17
Net revenues	335,997	295,481	291,370	13.7%	15.3%
Profit before tax	13,610	10,555	20,329	28.9%	-33.1%
Net Income	8,910	6,033	14,756	47.7%	-39.6%
Profits Attributable to Shareholders	3,348	1,548	12,934	116.3%	-74.1%
EPS (Sen)	1.71	0.79	6.61	116.5%	-74.1%
Net assets per share	6.25	6.23	6.14	0.3%	1.8%
Return on equity (annualised)	1.09%	0.51%	4.31%		
Net Dividend per share (sen)	-	5.00	-		
Dividend yield	-	1.41%	-		
Net Profit Margin	2.65%	2.04%	5.06%		

**Higher material costs and weaker local currency impacted the bottom line**

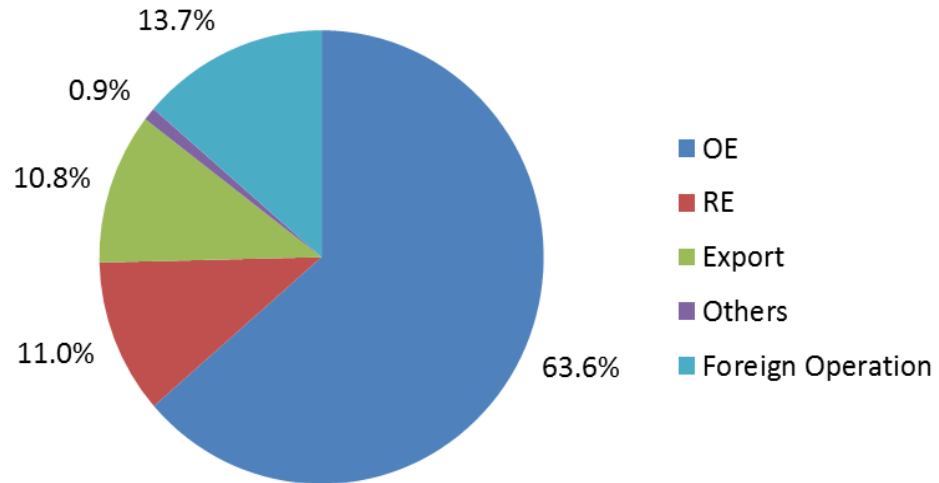
# Segmental sales

	Q3 2018	%	Q3 2017	%
OE	219,524	65.3%	185,318	63.6%
RE	34,407	10.2%	32,116	11.0%
Export	30,647	9.1%	31,421	10.8%
Others	12,471	3.7%	2,717	0.9%
Foreign Operation	38,948	11.6%	39,798	13.7%
<b>TOTAL REVENUE</b>	<b>335,997</b>	<b>100%</b>	<b>291,370</b>	<b>100%</b>

Q3 2018



Q3 2017



**Increased in revenue due to increased demand from OEMs**

# Segmental performance

REVENUE (RM'000)	Q3 2018	Q3 2017	Change
Suspension	18,696	15,819	18.2%
Interior & Plastics	176,665	144,606	22.2%
Electrical & Heat Exchange	29,294	32,111	-8.8%
Marketing	58,224	55,394	5.1%
Others	14,170	3,642	289.1%
<b>Malaysia Operation</b>	<b>297,049</b>	<b>251,572</b>	<b>18.1%</b>
<b>Operations outside Malaysia</b>	<b>38,948</b>	<b>39,798</b>	<b>-2.1%</b>
<b>TOTAL REVENUE</b>	<b>335,997</b>	<b>291,370</b>	<b>15.3%</b>

**Overseas operations saw slight weakness in Vietnam and Indonesia**

# **3Q18 Operation & Financial Review**

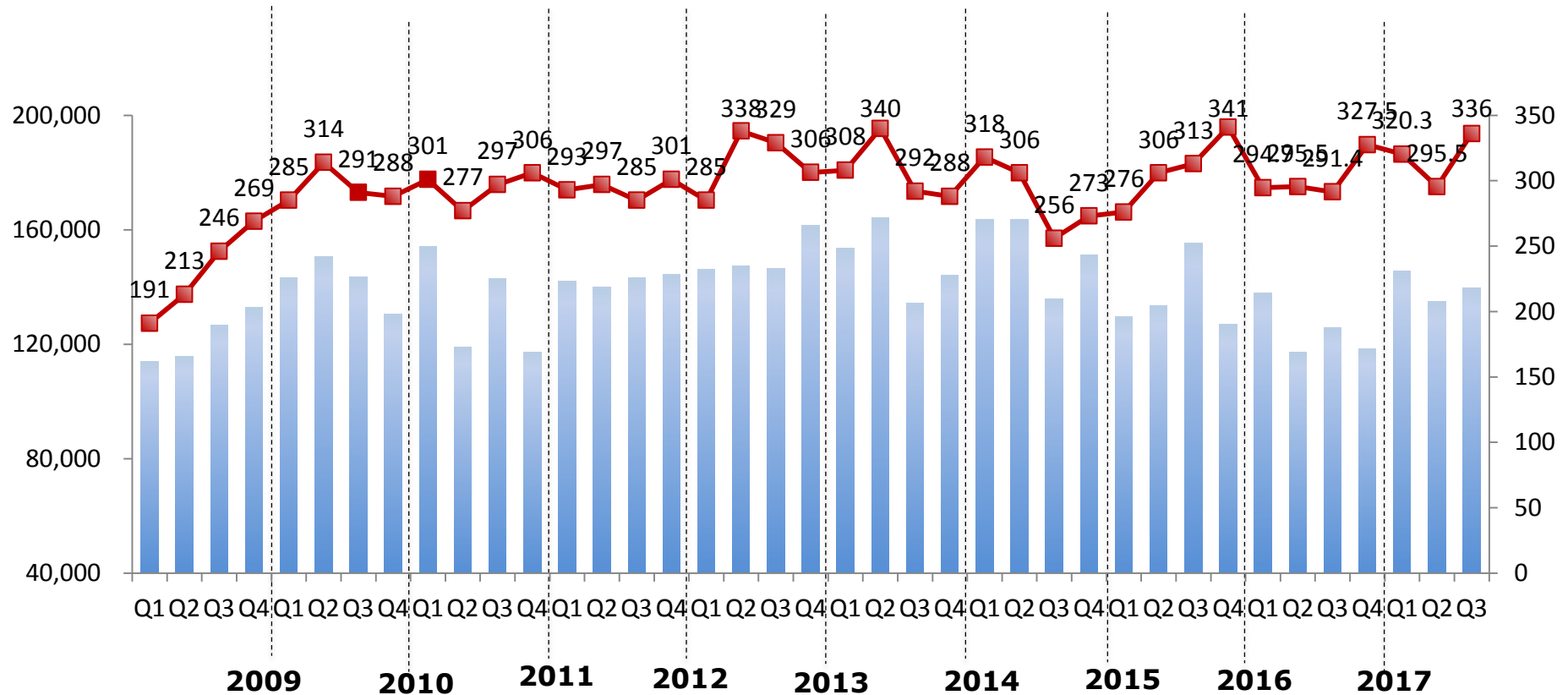
## **Business Update**



# Production TIV

Production TIV

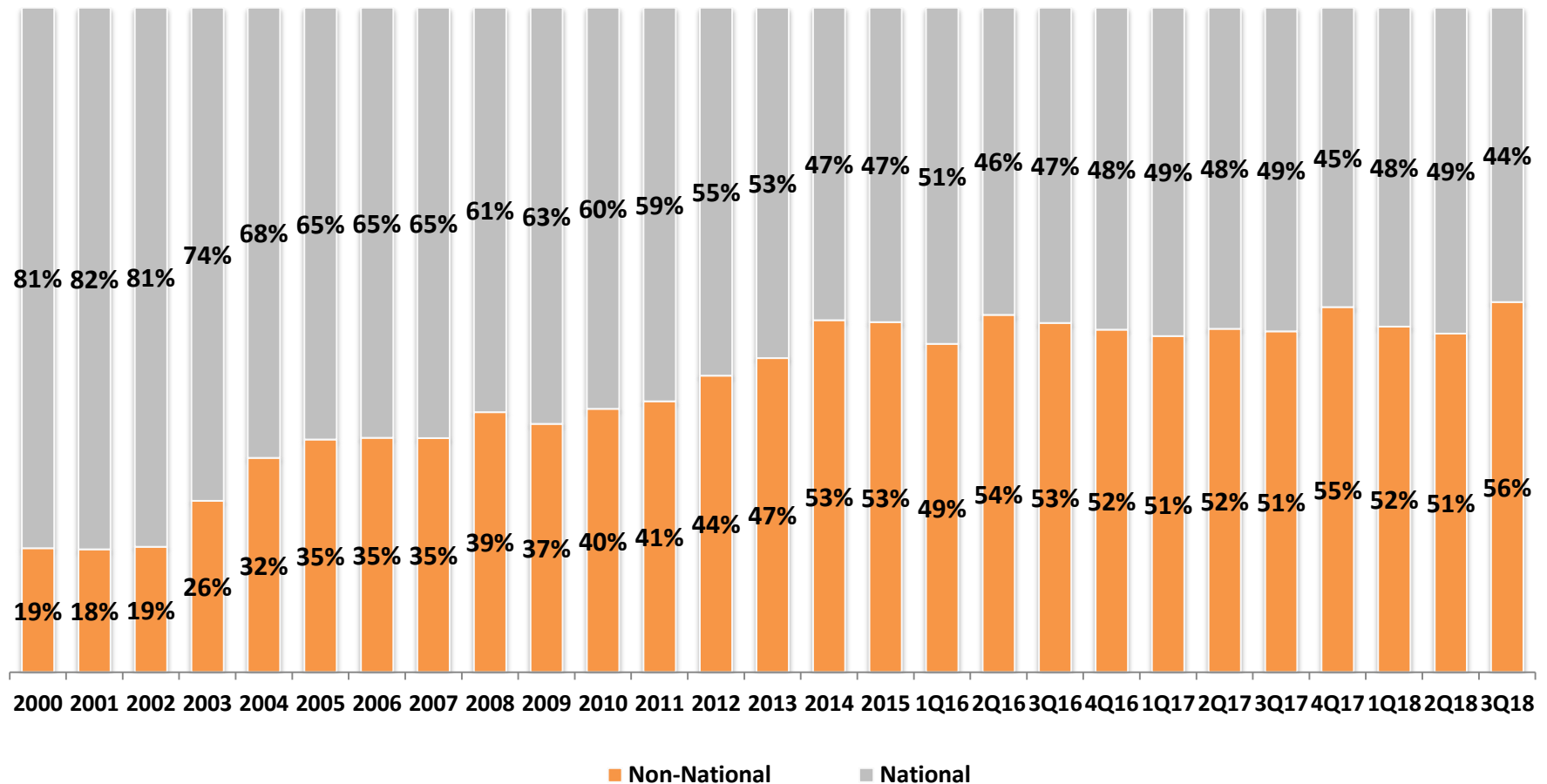
APM Revenue (RM'mil)



Source: MAA (as for Production TIV)

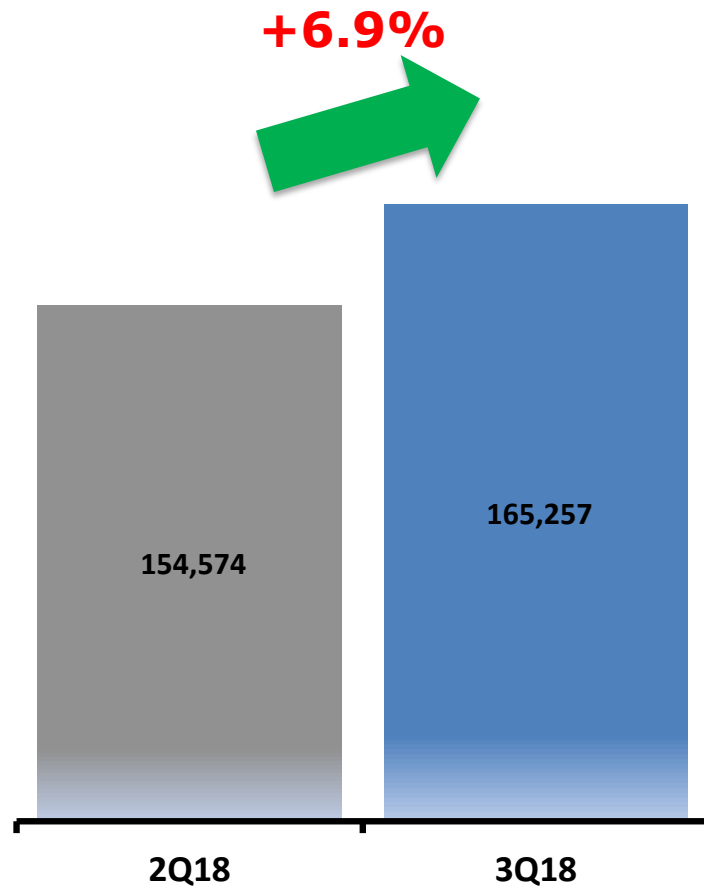
**Revenue increased due to increase in production as well**

# National & Non-national Market Share



**Non-national brands regaining market share**

# 2Q18 TIV



	Q-o-Q %
Perodua	-16.94%
Proton	55.14%

	Q-o-Q %
Toyota	10.06%
Nissan	33.12%
Honda	5.11%
Mitsubishi	34.71%
Isuzu	47.90%
Mazda	33.56%

	Q-o-Q %
Ford	42.61%
VW	25.83%
BMW	29.11%
Mercedes	-2.48%

**TIV increased due to zero GST effect**

# FY18 business update

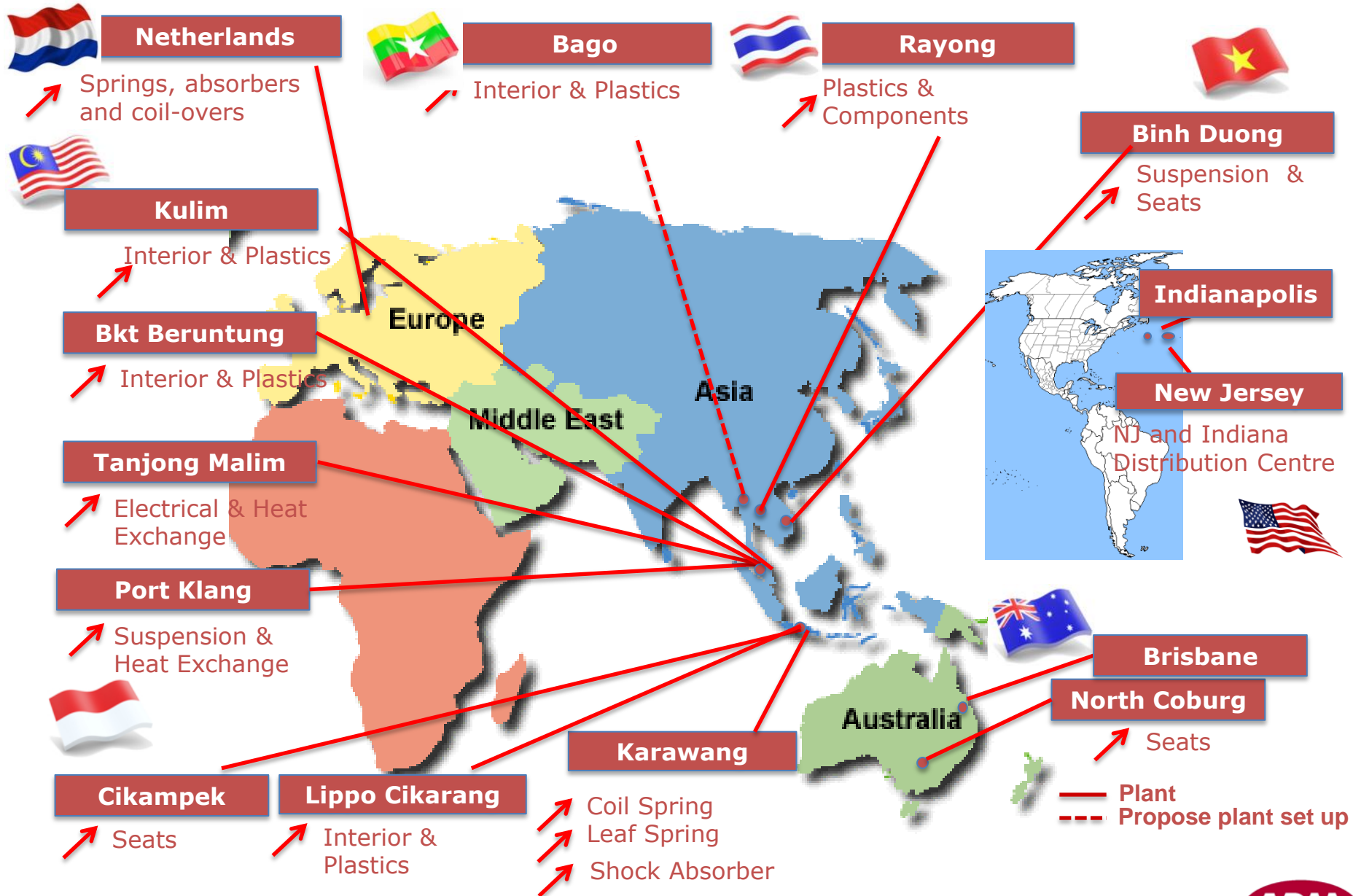
- ❖ 3Q18 TIV 165.3K; +6.9% QoQ mainly due to tax holiday effects.
- ❖ APM underlying OEM businesses buck the trend due to earlier counter measures.
- ❖ Counter measures include:
  - Expansion of new business - new products / segment
  - Intensify the development of parts for replacement markets
  - Consolidate certain operations to reduce overhead costs
  - Expansion into new products via JV or acquisition of business
  - Study of other sources of supply to reduce material costs

# M&A Opportunities

<b>Strategic Purpose</b>	Our Vision		Our Strategy	
<b>Environment</b>	Global Market Review	Asia Pacific Market Review	Malaysia Market Review	
<b>Market Assessment</b>	Economy & Environment	Tier 1 Competition	Local Supplier	Lessons Learned
<b>Target Opportunities</b>	Targeted Research			
<b>Growth Opportunities</b>	M&A Opportunities	Tier 1 Supplier	Tier 2 Supplier	
<b>Risk Management</b>	Due Diligence	IP Production	Legal & HR Partnerships	Detailed Planning
<b>Implementation Plan</b>	JV	Local Resources	Quotation & Proposals	Supplier/Tool Resource

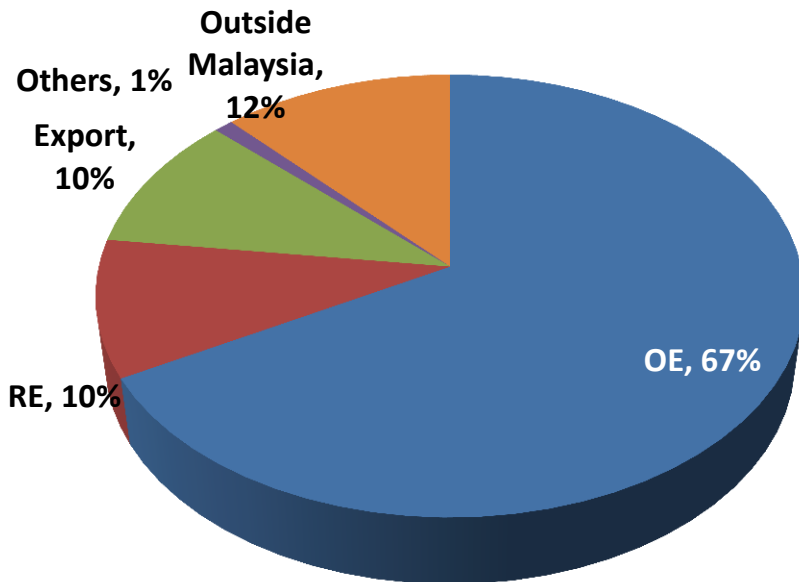
# Moving Forward

# Geographical Diversification



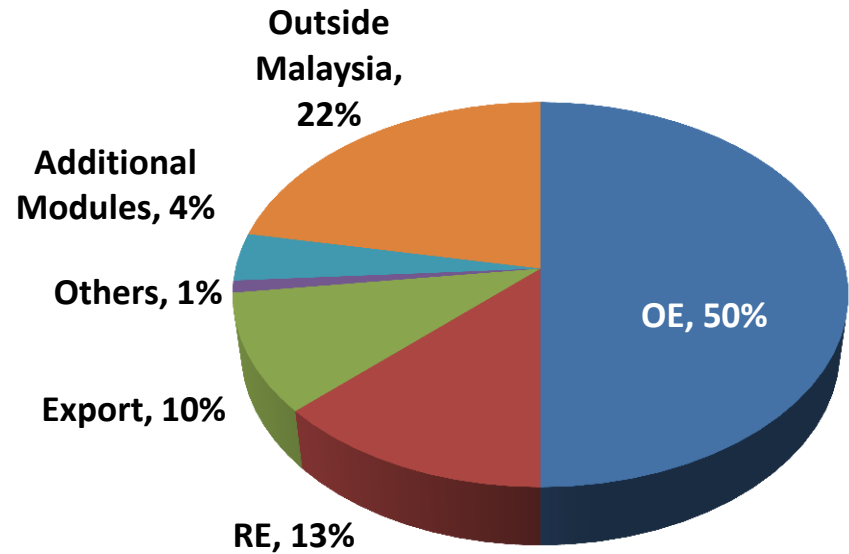
# Sales Guidance through Balance & Diversity

2017A



Turnover: RM 1.2b

2020F

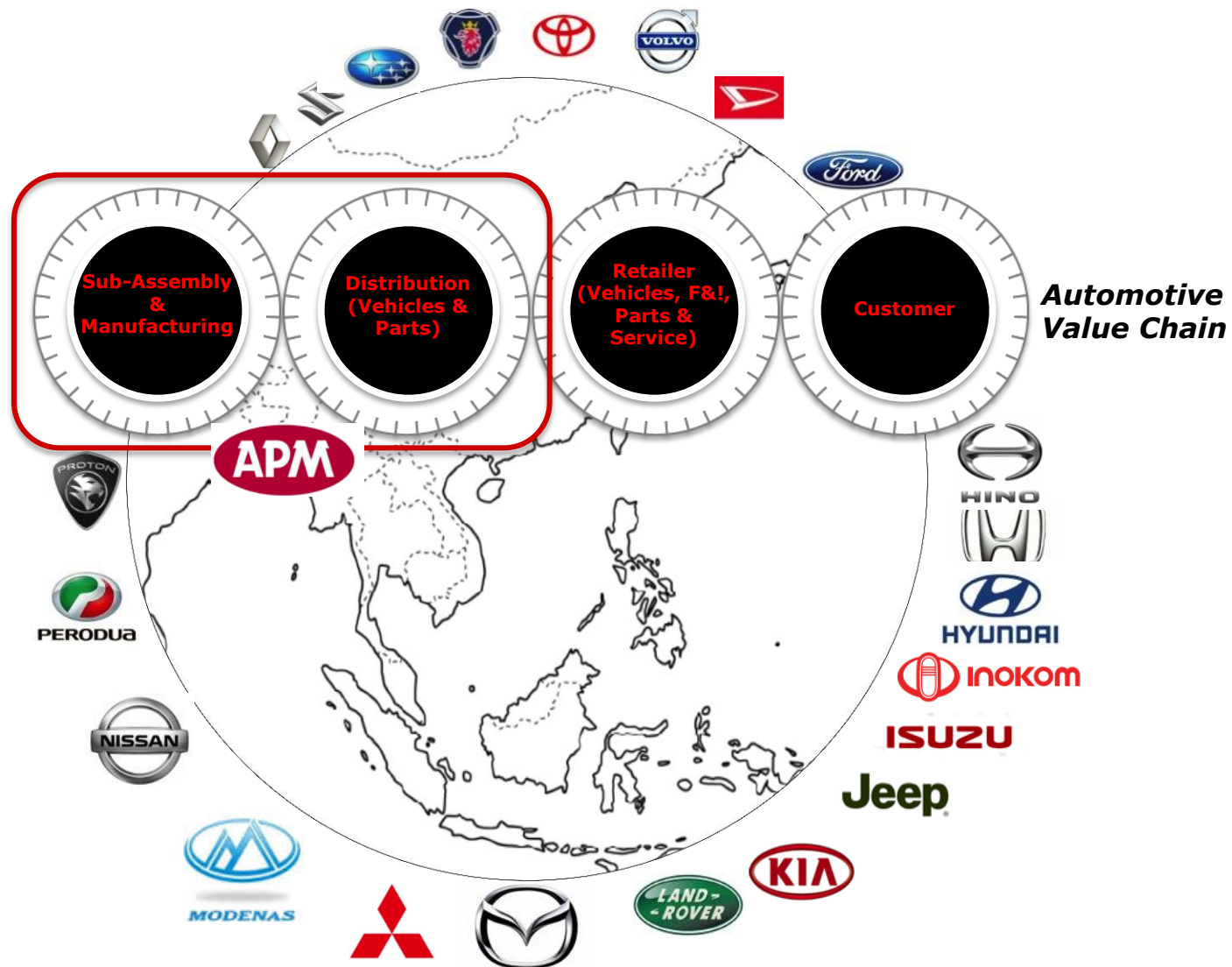


Turnover: RM 2.0b

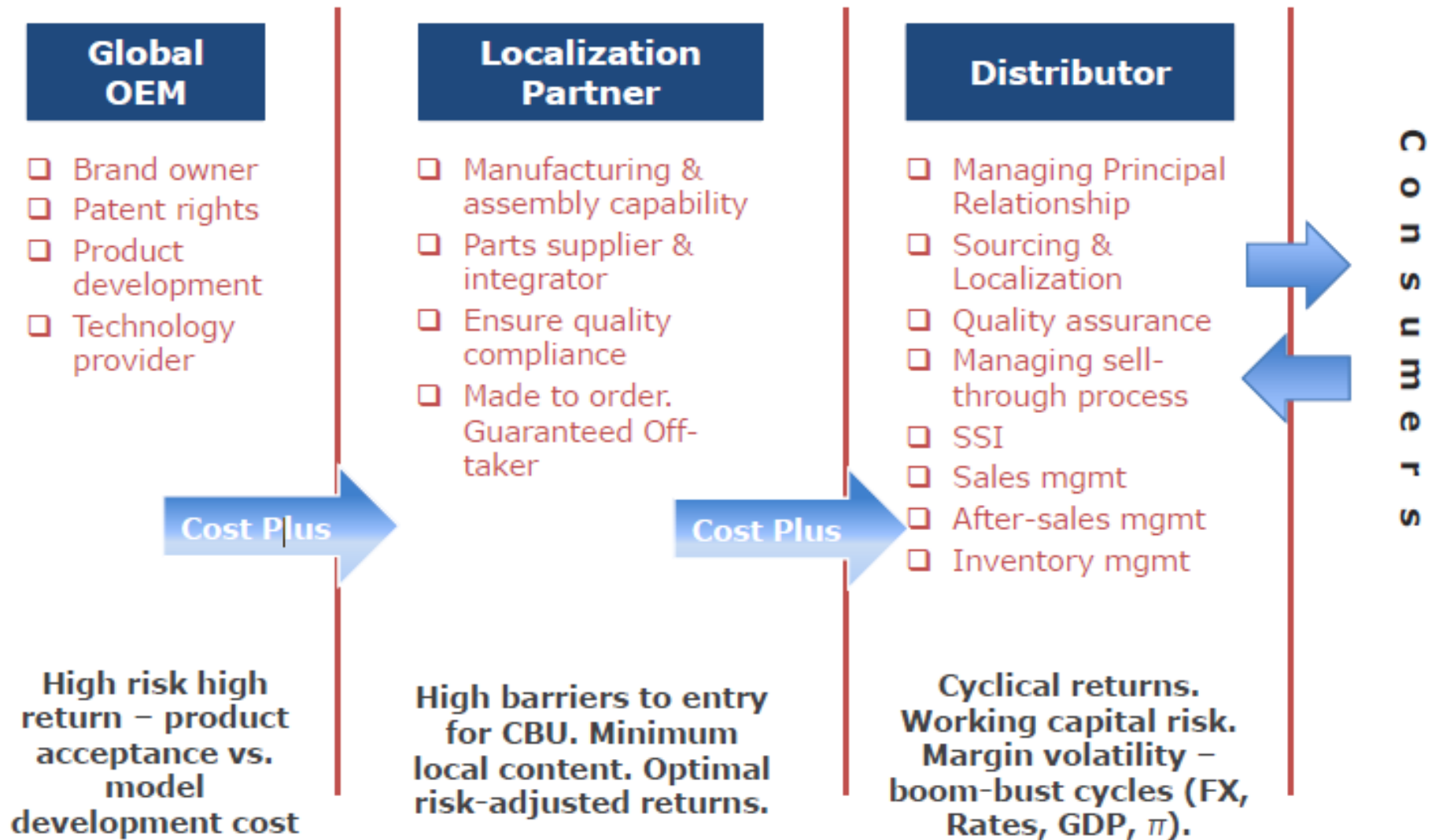
**RM2b sales target (RM1b existing OE & RM1b exports, overseas & others)**



# Integral Player within Local Automotive Eco-systems



# Auto Cycle Investing



# Thank You