



# **APM AUTOMOTIVE HOLDINGS BERHAD**

Registration No. 199701009342 (424838-D)

*(Incorporated in Malaysia)*

## **INTERIM REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

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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 2022 – unaudited**

	INDIVIDUAL QUARTER			CUMULATIVE QUARTER		
	Current Quarter Ended 30-Sep-22	Corresponding Quarter Ended 30-Sep-21	Change	Cumulative Year to Date 30-Sep-22	Cumulative Year to Date 30-Sep-21	Change
<i>In thousands of RM</i>						
<b>Revenue</b>	467,843	174,686	167.8%	1,270,239	809,163	57%
<b>Results from operating activities</b>	11,855	(25,881)	145.8%	34,885	(10,522)	432%
<b>Finance costs</b>	(1,611)	(1,048)	-53.7%	(3,940)	(3,430)	-15%
<b>Finance income</b>	1,682	1,144	47.0%	4,267	3,818	12%
<b>Share of the profit/(loss) of equity-accounted associates and joint ventures, net of tax</b>	3,687	(1,294)	384.9%	2,794	(1,133)	347%
<b>Profit/(loss) before tax</b>	15,613	(27,079)	157.7%	38,006	(11,267)	437%
<b>Income tax expense</b>	(3,751)	1,789	-309.7%	(9,227)	(8,141)	-13%
<b>Profit/(loss) for the period</b>	11,862	(25,290)	146.9%	28,779	(19,408)	248%
<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	90	-	N/A	154	541	-72%
<b>Items that will be reclassified subsequently to profit or loss</b>						
Foreign currency translation differences for consolidated subsidiaries	2,677	(1,069)	350.4%	6,319	(143)	4519%
Foreign currency translation differences for equity-accounted associate and joint ventures	2,004	1,381	45.1%	2,924	1,534	91%
<b>Other comprehensive income for the period, net of tax</b>	4,771	312	1429.2%	9,397	1,932	386%
<b>Total comprehensive income/(loss) for the period</b>	16,633	(24,978)	166.6%	38,176	(17,476)	318%
<b>Profit/(loss) attributable to :</b>						
Owners of the Company	8,114	(25,668)	131.6%	18,283	(27,675)	166%
Non-controlling interests	3,748	378	891.5%	10,496	8,267	27%
<b>Profit/(loss) for the period</b>	11,862	(25,290)	146.9%	28,779	(19,408)	248%
<b>Total comprehensive income/(loss) attributable to :</b>						
Owners of the Company	12,885	(25,356)	150.8%	27,680	(25,743)	208%
Non-controlling interests	3,748	378	891.5%	10,496	8,267	27%
<b>Total comprehensive income/(loss) for the period</b>	16,633	(24,978)	166.6%	38,176	(17,476)	318%
<b>Earnings/(Loss) per ordinary share</b>						
Basic (sen)	4.15	(13.13)	131.6%	9.35	(14.16)	166%

*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 2021 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 2022 – unaudited**

<i>In thousands of RM</i>	<b>As at 30-Sep-22</b>	<b>As at 31-Dec-21 (Audited)</b>
<b>Assets</b>		
Property, plant and equipment	625,547	649,390
Investment properties	106,660	106,660
Investments in joint ventures	83,556	72,159
Intangible assets	20,870	24,364
Deferred tax assets	23,085	22,325
<b>Total non-current assets</b>	<b>859,718</b>	<b>874,898</b>
Inventories	339,373	359,878
Trade and other receivables, including derivatives	344,215	300,171
Current tax assets	4,930	6,682
Other investments	8,080	8,027
Cash and cash equivalents	363,332	298,992
<b>Total current assets</b>	<b>1,059,930</b>	<b>973,750</b>
<b>Total assets</b>	<b>1,919,648</b>	<b>1,848,648</b>
<b>Equity</b>		
Share capital	219,498	219,498
Reserves	1,101,822	1,087,832
Treasury shares	(13,506)	(13,506)
<b>Total equity attributable to owners of the Company</b>	<b>1,307,814</b>	<b>1,293,824</b>
Non-controlling interests	70,301	70,148
<b>Total equity</b>	<b>1,378,115</b>	<b>1,363,972</b>
<b>Liabilities</b>		
Employee benefits	32,725	31,788
Lease liabilities	19,059	16,314
Deferred tax liabilities	62,177	64,506
Loans and borrowings	50,000	-
<b>Total non-current liabilities</b>	<b>163,961</b>	<b>112,608</b>
Trade and other payables, including derivatives	296,253	284,902
Lease liabilities	2,475	3,079
Loans and borrowings	74,659	79,483
Current tax liabilities	4,185	4,604
<b>Total current liabilities</b>	<b>377,572</b>	<b>372,068</b>
<b>Total liabilities</b>	<b>541,533</b>	<b>484,676</b>
<b>Total equity and liabilities</b>	<b>1,919,648</b>	<b>1,848,648</b>
Net assets per share attributable to owners of the Company* (RM)	6.69	6.62

*\*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 2021 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 2022 – unaudited**

	<----- Attributable to the owners of the Company ----->							
	<----- Non-Distributable ----->			Distributable				
<i>In thousands of RM</i>	Share capital	Treasury shares	Revaluation reserve	Translation reserve	Retained earnings	Total	Non- controlling interests	Total equity
<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	-	-	-	-	541	541	-	541
Transfer of revaluation surplus on properties	-	-	(6,450)	-	6,450	-	-	-
<b>Total other comprehensive income for the period</b>	-	-	(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 company</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
<b>At 1-Jan-2022</b>	219,498	(13,506)	185,125	(2,518)	905,225	1,293,824	70,148	1,363,972
Foreign currency translation differences for consolidated subsidiaries	-	-	-	6,319	-	6,319	-	6,319
Foreign currency translation differences for equity-accounted associate and joint ventures	-	-	-	2,924	-	2,924	-	2,924
Remeasurement of defined benefit liabilities for equity-accounted associate and joint ventures	-	-	-	-	154	154	-	154
Transfer of revaluation surplus on properties	-	-	(6,450)	-	6,450	-	-	-
<b>Total other comprehensive income for the period</b>	-	-	(6,450)	9,243	6,604	9,397	-	9,397
Profit for the period	-	-	-	-	18,283	18,283	10,496	28,779
<b>Total comprehensive income for the period</b>	-	-	(6,450)	9,243	24,887	27,680	10,496	38,176
Subscription of shares in a subsidiary by non-controlling interests	-	-	-	-	(5)	(5)	1,308	1,303
Dividends to owners of the company	-	-	-	-	(13,685)	(13,685)	-	(13,685)
Capital reduction in subsidiary	-	-	-	-	-	-	(2,450)	(2,450)
Dividends to non-controlling interests	-	-	-	-	-	-	(9,201)	(9,201)
<b>Total transactions with owners of the Group</b>	-	-	-	-	(13,690)	(13,690)	(10,343)	(24,033)
<b>At 30-Sep-22</b>	219,498	(13,506)	178,675	6,725	916,422	1,307,814	70,301	1,378,115

*The above condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2021 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 2022 – unaudited**

<i>In thousands of RM</i>	For the 9 months year ended 30-Sep-22	For the 9 months year ended 30-Sep-21
<b>Cash flows from operating activities</b>		
Profit/(loss) before tax and non-controlling interests	38,006	(11,267)
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	45,441	44,517
Amortisation of intangible assets	6,769	1,140
Others	4,286	4,736
<b>Operating profit before working capital changes</b>	<b>94,502</b>	<b>39,126</b>
Deposits and prepayments	5,424	(4,621)
Inventories	18,642	(100,141)
Trade and other payables, including derivatives	11,100	(64,190)
Trade and other receivables, including derivatives	(49,283)	69,740
<b>Cash generated from/(used in) operations</b>	<b>80,385</b>	<b>(60,086)</b>
Employee benefits paid	(2,953)	(578)
Net interest received	327	388
Warranties paid	(1,510)	(1,231)
Net income tax paid	(11,041)	(16,154)
<b>Net cash generated from/(used in) operating activities</b>	<b>65,208</b>	<b>(77,661)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	417	206
Acquisition of property, plant and equipment	(15,137)	(15,660)
Net decrease in other investments	-	56,899
Additions of intangible assets	(3,316)	(1,434)
Investment in joint ventures	(5,678)	(16,743)
<b>Net cash (used in)/generated from investing activities</b>	<b>(23,714)</b>	<b>23,268</b>
<b>Cash flows from financing activities</b>		
Subscription of shares in subsidiary by non-controlling interest	1,304	-
Dividends paid to non-controlling interests	(9,201)	(4,001)
Dividends paid to owners of the Company	(13,685)	(13,685)
Net drawdown/(repayment) of loans and borrowings	45,176	(7,491)
Payment of lease liabilities	(2,360)	(815)
Payment of reduction of share capital in subsidiary to non-controlling interest	(2,450)	-
<b>Net cash generated from/(used in) financing activities</b>	<b>18,784</b>	<b>(25,992)</b>
Net cash increase/(decrease) in cash and cash equivalents	60,278	(80,385)
Effect of exchange rate fluctuations	4,062	1,845
Cash and cash equivalents at 1 January	298,992	203,837
<b>Cash and cash equivalents at the end of period</b>	<b>363,332</b>	<b>125,297</b>

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

Cash and bank balances	56,165	47,637
Deposits and corporate management account with licensed banks	307,167	77,660
	<b>363,332</b>	<b>125,297</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 2021 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 2021. 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 2021.

## **A2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Group have been prepared in accordance with MFRSs and International Financial Reporting Standards 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 2022:

- Amendments to MFRS 16, *Leases – Covid-19-Related Rent Concessions beyond 30 June 2021*;
- 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*; and
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*.

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 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 January 2023***

- MFRS 17, *Insurance Contracts*;
- Amendments to MFRS 17, *Insurance Contracts – Initial application of MFRS 17 and MFRS 9 – Comparative Information*;
- 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, *Income Tax - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*.

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

*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 2023 for those amendments that are effective for annual periods beginning on or after 1 January 2023, except for MFRS 17, *Insurance Contracts*, Amendments to MFRS 17 *Insurance Contracts* and Amendments to *Initial Application of MFRS 17 and MFRS 9—Comparative Information* (Amendment 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 and prior year financial statements of the Group.

## **A3. AUDIT QUALIFICATIONS**

There were no audit qualifications in the annual financial statements of the Group for the year ended 31 December 2021.

## **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 2022.

## **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**

On 15 August 2022, the Group had successfully completed the issuance of RM50.0 million in nominal value of Islamic Medium Term Notes (“**IMTN**”) under IMTN Programme with a 3-year fixed tenure.

Other than 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**

No dividends were paid during the quarter ended 30 September 2022.

## **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, Canada, the United States of America, the 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.



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

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

*In thousands of RM*

**INDIVIDUAL QUARTER**

	<b>30-Sep-22</b>		<b>30-Sep-21</b>	
	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>
Suspension	61,452	115	24,857	(5,046)
Interior & Plastics	350,340	16,912	90,374	(12,367)
Electrical & Heat Exchange	30,503	(1,451)	12,699	(3,502)
Marketing	74,784	3,128	39,641	(196)
Non-reportable segment	13,215	(2,518)	10,193	(3,162)
Indonesia Operations	28,285	2,009	24,134	(1,794)
All Other Segments	36,234	(2,320)	32,691	(1,108)
	594,813	15,875	234,589	(27,175)
Eliminations	(126,970)	(262)	(59,903)	96
	467,843	15,613	174,686	(27,079)

*In thousands of RM*

**CUMULATIVE QUARTER**

	<b>30-Sep-22</b>		<b>30-Sep-21</b>	
	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>	<b><u>Segment Revenue</u></b>	<b><u>Profit/(loss) before tax</u></b>
Suspension	175,500	1,633	110,000	(7,522)
Interior & Plastics	925,950	45,069	517,424	5,777
Electrical & Heat Exchange	82,758	(3,531)	59,327	(5,920)
Marketing	237,365	9,039	157,900	3,628
Non-reportable segment	39,387	(6,177)	35,100	(6,993)
Indonesia Operations	76,326	(4,955)	60,189	(6,954)
All Other Segments	110,333	(2,769)	118,061	5,940
	1,647,619	38,309	1,058,001	(12,044)
Eliminations	(377,380)	(303)	(248,838)	777
	1,270,239	38,006	809,163	(11,267)

**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 2021.

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

**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 certain Directors of the Company, namely Dato’ Tan Heng Chew and Dato’ Tan Eng Hwa, are deemed to have substantial financial interests are as follows:

<i>In thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
<u>With TCMH Group</u>	<u>30-Sep-22</u>	<u>30-Sep-21</u>	<u>30-Sep-22</u>	<u>30-Sep-21</u>
Sales	9,231	1,772	26,839	8,767
Provision of services	132	109	419	364
Purchases	(630)	(278)	(3,305)	(987)
Administrative and consultancy services	(190)	(750)	(621)	(1,720)
Insurance	(329)	(153)	(5,383)	(4,676)
Rental expenses	(2)	(5)	(11)	(36)
Rental income	450	450	1,350	1,359

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

<i>In thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
<u>With WTCH Group</u>	<u>30-Sep-22</u>	<u>30-Sep-21</u>	<u>30-Sep-22</u>	<u>30-Sep-21</u>
Sales/(Sales return)	140	34	463	(93)
Purchases	(489)	(23)	(721)	(142)
Administrative and consultancy services	(100)	(58)	(275)	(137)
Rental income	130	129	388	387
Rental expenses	(337)	(312)	(992)	(948)

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

<i>In thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
<u>With TCIL Group</u>	<u>30-Sep-22</u>	<u>30-Sep-21</u>	<u>30-Sep-22</u>	<u>30-Sep-21</u>
Sales	58	24	112	54
(Purchases)/Purchase return	(86)	6	(86)	-
Rental expenses	(18)	(15)	(54)	(45)

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

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

**A11. RELATED PARTY DISCLOSURES (CON'T)**

<i>In thousands of RM</i>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended	Corresponding Quarter Ended	Cumulative Year To Date	Corresponding Year To Date
<b><u>Key management personnel</u></b>	<b><u>30-Sep-22</u></b>	<b><u>30-Sep-21</u></b>	<b><u>30-Sep-22</u></b>	<b><u>30-Sep-21</u></b>
Director				
Rental expenses	-	-	-	(18)

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 12 July 2022, PT APM Auto Components Indonesia (“PTAACI”), one of the shareholders of PT APM Mekar Armada Investama (“PTAMAI”) (formerly known as PT Doowon APM Automotive), disposed of its entire equity interest of 20% or 62,500 shares to PT APM Armada Autoparts (“PTAAA”) for a cash consideration of IDR 656.4 million. PTAAA is a 50% controlled joint venture of the Group.

Subsequent to the purchase, PTAAA subscribed for an additional 795,000 shares in PTAMAI and this resulted in PTAAA holding 49% equity interest in PTAMAI.

Resulting from the above transaction, the Group’s effective interest in PTAMAI reduced from 100% to 75.5%.

**A14. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent assets or contingent liabilities as at 30 September 2022.

**A15. CAPITAL COMMITMENTS**

*In thousands of RM*

	<b><u>30-Sep-22</u></b>	<b><u>30-Sep-21</u></b>
Contracted but not provided for	12,060	18,348

## **B1. OPERATING SEGMENTS REVIEW**

### **Statement of Financial Position**

The Group's financial position remained robust as of 30 September 2022 with shareholders' funds settling at RM1.31 billion and a net cash position (i.e., cash and cash equivalents plus other investments and deducting bank borrowings) of RM246.8 million. The net assets per share of the Group increased marginally by 1.01% to RM6.69 for the Q3' 2022 from RM6.62 as at 31 December 2021. The improvement was mainly due to net profit earned during the 9-month period of the year.

On 15 August 2022, the Group had successfully completed the issuance of RM50.0 million in nominal value of Islamic Medium Term Notes ("IMTN") under IMTN Programme with a 3-year fixed tenure. As such, the Group's Current Ratio improved from 2.62 times to 2.81 times (Current Ratio = Current Assets / Current Liabilities) largely due to the increase in cash and cash equivalents from the issuance of IMTN. The increase of trade and other receivables by RM44.0 million was due to higher sales in Q3' 22 of the year.

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

For the 9-month period ended 30 September 2022, net cash generated from operating activities of the Group increased to RM65.2 million compared to corresponding period of the previous year of net cash used amounting to RM77.7 million. This increase is largely due to decrease in inventories (caused mainly by material usage for production in the 9-month period of the year) and increase in trade and other payables (due to increase in purchase of materials to cater for anticipated increase in sales during the final quarter of the year). The negative cash flow recorded for the same period of last year was mainly due to increase of inventories by RM100 million arising from the receipts of raw materials while supply and production were temporarily frozen in view of the government's imposition of the Full Movement Control Order ("FMCO") which took place from 1 June to 15 August 2021. In addition, the Group stockpiled some of its core materials (especially steel bars) in anticipation of further price hikes and disruption in the supply-chain.

During the period, the Group subscribed for the issuance of new shares by one of its joint ventures amounting to RM5.6 million and acquired machineries and equipment of RM15.1 million. The subscription and acquisition resulted in the use of the Group's net cash for investing purposes in the amount of RM23.7 million as compared to net cash generated of RM23.3 million in the corresponding period of the previous year, which was primarily due to the withdrawal of the Group's investment in unit trust of RM56.9 million.

For the 9-month period under review, the Group recorded net cash generated from financing activities of RM18.8 million compared to net cash used of RM26.0 million in the same period of last year. This was mainly due to issuance of RM50.0 million of IMTN on 15 August 2022 as explained earlier, compared to repayment of bank borrowings of RM13.7 million last year.

As at 30 September 2022, the Group's capital commitment stood at RM12 million, mainly because of its investment in tooling, machineries/equipment and development costs for the supply of parts for new car models and upgrading of production facilities. The capital commitments will be funded by internally generated funds and/or bank borrowings. As a measure to conserve resources and cash during these difficult times, the Group decided to defer certain of its planned capital expenditure.

The Group recognizes that sufficient cash reserves are essential in the 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, if and when required.

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

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

**Q3 2022 vs. Q3 2021**

The Group's revenue increased significantly by 167.8% in Q3'22 from RM174.7 million to RM467.8 million mainly because of longer operating period. In last year, from 1 June until 15 August 2021, Malaysia implemented the FMCO where movement was largely restricted and save for activities within the Group that were deemed essential, most of the Group's business activities in Malaysia were suspended hence, no revenue was earned in that period.

With higher revenue, the Group registered Profit Before Tax ("PBT") of RM15.6 million for the quarter under review compared to Loss Before Tax ("LBT") of RM27.1 million in the same quarter last year.

**Year-to-date 2022 ("YTD 2022") vs Year-to-date 2021 ("YTD 2021")**

The Group's revenue experienced a growth of 57.0% to RM1.3 billion from RM809.2 million a year ago, due largely to longer operating period as explained earlier, coupled with higher demand from domestic and international Original Equipment Manufacturing ("OEM") and Replacement Market ("REM") customers as the global automotive industry rallied towards recovery. In the domestic front, resurgence was largely boosted by pent-up demand for new vehicles and the government's extension of the sale tax holiday for passenger vehicles until 30 June 2022.

In line with higher revenue, the Group's bottom line improved 4-fold or 437.3% to PBT of RM38.0 million for the three quarters of the year, compared to LBT of RM11.3 million reported in the corresponding period of last year.

**Suspension Division**

The Suspension Division's revenue for the current quarter and YTD 2022 increased 147.2% and 59.5% to RM61.5 million and RM175.5 million respectively. This increase was mainly due to longer operating period and higher sales from all segments, i.e., export, local Original Equipment Manufacturer ("OEM") and Replacement Market ("REM"), as the domestic and global market began to improve. Comparatively, lower revenue was generated by this Division in the corresponding period of last year due mainly to the closure of the Group's plants from 1 June 2021 until 15 August 2021 in view of lockdown measures imposed by the government as explained earlier.

On the back of higher revenue, the Suspension Division turned around from a LBT of RM5.1 million to PBT of RM0.1 million for the current quarter under review. The LBT of RM5.1 million in the same quarter of last year resulted from the lack of revenue when its plant was closed for almost 1.5 month due to the FMCO whilst production overheads and administrative expenses continued to be incurred.

The YTD 2022 PBT increased to RM1.6 million compared to a loss of RM7.5 million as reported in YTD 2021, for the same reasons as explained earlier.

**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 table below, Total Industry Production ("TIP") in Q3'22 and the 9-month period of the year increased by 204% and 67% respectively for the reasons as explained earlier (i.e., longer operating period and sales tax exemption) coupled with new model launches in first half of 2022.

<b>Total Industry Production ("TIP") Volume</b>				
			<b>Variance</b>	
	<b>Year 2022</b>	<b>Year 2021</b>	<b>Units</b>	<b>%</b>
<b>1st Quarter</b>	154,160	147,086	7,074	5%
<b>2nd Quarter</b>	163,773	94,202	69,571	74%
<b>3rd Quarter</b>	190,828	62,708	128,120	204%
<b>Total</b>	<b>508,761</b>	<b>303,996</b>	<b>204,765</b>	<b>67%</b>

The Group's Interior & Plastics Division revenue is predominantly sourced from its dealings with local carmakers. As such, its higher revenue of 287.8% at RM350.3 million corresponds with the higher TIP. With a higher revenue base, this Division recorded a PBT of RM16.9 million in 3Q'22 as compared to LBT of RM12.4 million in 3Q'21.

Likewise, for the first three quarters of the year, revenue and PBT of the Division increased significantly from RM517.4 million and RM5.7 million to RM926.0 million and RM45.1 million respectively, mainly due to the reasons mentioned earlier.

**Electrical & Heat Exchange Division**

Revenue for the Group's Electrical & Heat Exchange Division saw an increase of 140.2% from RM12.7 million in the previous corresponding quarter to RM30.5 million mainly due to longer operating period as explained earlier. In tandem with the higher revenue, this Division ended the quarter at lower LBT of RM1.4 million compared to LBT of RM3.5 million reported in Q3'21.

Consistent with the above, this Division also experienced higher demand from certain OEM customers at the beginning of the year, resulting in YTD 2022's revenue increasing to RM82.8 million from RM59.3 million a year ago. On the back of such higher revenue, the YTD LBT of this Division narrowed by 40.3% from RM5.9 million to RM3.5 million for the cumulative period under review.

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

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

**Marketing Division**

The Marketing Division's revenue increased by 88.7% year-on-year ("YoY") from RM39.6 million in Q3'21 to RM74.8 million. This increase was primarily due to longer operating period as explained earlier. The higher revenue translated into higher profits, enabling the Marketing Division to generate PBT of RM3.1 million during the quarter under review as compared to LBT of RM0.2 million in Q3'21.

On a YTD basis, the Marketing Division registered higher revenue by 50.3% to RM237.4 million. This higher revenue arose from the longer operation period, facilitated by higher export demand (especially from America and Australia) and improved local REM sales. 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. Export sales were also boosted by the improving global economy and shipments availability. Accordingly, this Division's bottom line improved by 149.2% to RM9.0 million from RM3.6 million in the corresponding period of last year, on the back of higher revenue. The favorable net foreign exchanges gain (realized and unrealized) on trade receivables/creditors and favorable product mix also contributed to the higher PBT.

**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 comprises the business of casting, machining and assembly of aluminum parts and components to internal and external customers.

The Non-reportable Segment's revenue for 3Q 2022 increased by 29.7% to RM13.2 million, mainly due to higher inter-group billing of services resulting from the longer operating period as explained earlier. The higher billing translated into lower LBT by RM0.6 million to record at LBT of RM2.5 million for the current quarter.

Consistent with the above, revenue in this Segment for the first nine months of 2022 increased by 12.2% to RM39.4 million, with LBT recorded at RM6.2 million compared to RM6.9 million in the same period of last year.

**Indonesia Operations**

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

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

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

**Indonesia Operations (cont'd)**

With the economy experienced a steady upward trend, following the downturn caused by COVID 19 pandemic, Indonesia's vehicle sales recovered at a fast pace with sales increasing at 20.8% to 758,216 unit (source : [https://www.marklines.com/en/statistics/flash\\_sales/automotive-sales-in-indonesia-by-month](https://www.marklines.com/en/statistics/flash_sales/automotive-sales-in-indonesia-by-month)) for the first 9-month period ended 30 September 2022. The Indonesia Operations benefited from the higher vehicle sales. Its revenue for Q3'22 increased by 17.2% to RM28.3 million due to higher demand from OEM customers for coil and leaf springs. Correspondingly, the Indonesia Operations' profitability improved from LBT of RM1.8 million to PBT of RM2.0 million. The improved profitability also resulted from higher share of profits from joint ventures instead of share of losses recognized in the same quarter of last year. The higher joint venture profits were mainly due to higher revenue resulting from higher demand from OEM customers.

Consistent with the current quarter and coupled with higher sale export and local REM sales and higher selling prices in the first half of the year, the Indonesia Operations' YTD revenue increased by 26.3% to RM76.3 million and YTD LBT decreased by 28.7% to RM5.0 million. The Indonesia Operations registered a YTD LBT despite its turnaround in the current quarter, mainly due to higher share of loss from one of its joint ventures as that joint venture's operation was at its infancy and the revenue was insufficient to cover its fixed overhead and administrative expenses at the time. With higher demand from OEM customers, the said joint venture is starting to generate profit in Q3.

**All Other Segments**

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

Revenue for the Operations Outside of Malaysia experienced a marginal increase of RM3.5 million to RM36.2 million YoY, backed by higher leaf spring sales in Vietnam from both OEM and REM markets. All countries where the Group operated in experienced slower demand, especially in Australia and USA. The Group's seat business in Australia was largely affected by subdued demand for new buses, delay in train's projects and the lack of government spending. The Group's operations in the USA were a casualty of disruption in the logistics industry and deficiencies in stock, which caused its sales to plunge.

Despite higher revenue, this Division registered LBT of RM2.3 million during the quarter compared to RM1.1 million in the same quarter of last year. Higher operating costs such as staff and new products development expenses, coupled with expenses incurred on the delay in commencement of the Group's Australia Operations in Perth, adversely affected this Division's performance. The increase in material prices, especially those of steel and natural gas, weighed on the bottom-line of the Group's Vietnam Operations. Moreover, the COVID-19 financial assistance offered by the Government of USA to the Group's operations in the USA helped improve the bottom-line of this Division in the same quarter of last year.



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

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

**All Other Segments (cont'd)**

The Segment's revenue decreased from RM118.1 million to RM10.3 million on YTD basis, mainly due to lower revenue from USA and Australia operations as explained earlier. With lower revenue and coupled with higher operating costs (staff costs, material price, energy costs, logistic expenses, etc.) experienced by all operations across the countries, the Segment registered LBT of RM2.8 million compared to PBT of RM5.9 million a year ago.

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

In Thousands of RM	Segment Revenue				Segment Profit/(Loss) Before Tax			
	30-Sep-22	30-Jun-22	Changes		30-Sep-22	30-Jun-22	Changes	
			Amount	%			Amount	%
Suspension	61,452	57,681	3,771	6.5%	115	1,170	(1,055)	-90.2%
Interior & Plastics	350,340	295,448	54,892	18.6%	16,912	12,286	4,626	37.7%
Electricals & Heat Exchange	30,503	25,864	4,639	17.9%	(1,451)	(1,356)	(95)	-7.0%
Marketing	74,784	76,255	(1,471)	-1.9%	3,128	2,951	177	6.0%
Non-reportable segment	13,215	13,087	128	1.0%	(2,518)	(924)	(1,594)	-172.5%
Indonesia Operations	28,285	21,474	6,811	31.7%	2,009	(5,328)	7,337	137.7%
All Other Segments	36,234	35,183	1,051	3.0%	(2,320)	(476)	(1,844)	-387.4%
	594,813	524,992	69,821	13.3%	15,875	8,323	7,552	90.7%
Eliminations	(126,970)	(127,051)	81	0.1%	(262)	(245)	(17)	-6.9%
	467,843	397,941	69,902	17.6%	15,613	8,078	7,535	93.3%

The Group's revenue increased quarter-on-quarter ("QoQ") by 17.6% in Q3'22 from RM397.9 million to RM467.8 million mainly due to higher revenue from all divisions except for the Marketing Division, mainly due to higher demand from OEMs customers for both Malaysia and overseas operations. The reduction of revenue in the Marketing Division was mainly due to lower export sales of suspension products as the plant was struggling to operate at full capacity because of manpower shortage.

Despite registering higher revenue, the Suspension Division and all other segment ("Operations Outside Malaysia") registered lower bottom-line by 90.2% and 387.4% respectively, due mainly to higher operating costs (staff costs, material price, energy costs, logistic expenses, etc.) as explained earlier. The non-reporting segments recorded higher LBT by RM1.6 million mainly due to higher staff costs.

The Marketing Division, on the other hand, registered improved profitability despite lower revenue, mainly due to the favorable net foreign exchanges gain (realized and unrealized) on trade receivables/creditors as MYR is weakened against major foreign currencies.

The Indonesia Operations registered a significant increase in the bottom line by 137.7%, turning LBT of RM5.3 million in Q2'22 to PBT of RM2 million in the current quarter. The improvement was mainly due to higher revenue and higher share of profits from one of the joint ventures instead of share of losses recognized in the preceding quarter as explained earlier in Section B1.

### **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.

The worldwide automotive sector has, for the most part, been back in production since mid-2021 but continuing COVID-19 outbreaks still present challenges to companies across the supply chain. While the availability and efficiency of COVID-19 vaccines have led to the relaxation of safety protocols in some regions of the world, misinformation and the emergence of new variants mean control measures will continue to persist. Hence, intermittent disruption to the supply chain will be expected and mitigated to meet market expectations.

In spite of this challenge, the inflation rate in Malaysia rising to 4.7% YoY (see: <https://www.theedgemarkets.com/article/malysias-august-2022-inflation-rises-47-yoy>) and the bottom line of the Group being impacted by increase in operating cost, such as material prices and minimum wage in the country to RM1,500 per month (see: <https://www.aseanbriefing.com/news/malaysia-increases-minimum-wage-from-may-1-2022/>), the Group remains optimistic of ending the year on a positive note as its order books suggests that automakers in Malaysia will persist and strive towards the fulfillment of bookings and orders received prior to the discontinuation of the Sales Tax exemption on passenger cars on 30 June 2022.

Nonetheless, with the global semiconductor chips shortage showing no immediate signs of abating, the conflict between the Ukraine and Russia persisting and the easing of vehicle sales following the sales tax holiday referred to above, the sales momentum of the country's automotive sector could experience some speed bumps going forward.

To manage such headwinds, the Group will continue negotiating for further price adjustments with its customers and look into automation of its processes to reduce labour dependence. The Group will also ramp up efforts to relocate certain low value or labour intensive work to its low-cost bases abroad and expand its supplier base.

Notwithstanding the above, the Group continues to exercise prudence and caution in its approach towards business in light of the prevailing uncertainty surrounding its operating environment. The Group will maintain its focus on long-term strategies for business sustainability and towards this end, it will explore feasible mergers, acquisitions, strategic partnerships, joint ventures and alliances, as a way forward to create value for shareholders.

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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-22</u></b>	<b>Corresponding Quarter Ended <u>30-Sep-21</u></b>	<b>Cumulative Year To Date <u>30-Sep-22</u></b>	<b>Corresponding Year To Date <u>30-Sep-21</u></b>
<b><u>Current tax</u></b>				
- Current year	4,329	1,395	12,483	12,085
- Prior year	(569)	(1,847)	(179)	(1,339)
<b><u>Deferred tax</u></b>				
- Current year	(425)	(599)	(3,135)	(2,895)
- Prior year	405	(776)	3	192
Withholding Tax	11	38	55	98
	<b>3,751</b>	<b>(1,789)</b>	<b>9,227</b>	<b>8,141</b>

The Group's effective tax rate for the financial period ended 30 September 2022 is higher than the statutory tax rate 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-22</u></b>			
Not past due	289,593	-	289,593
Past due 1 - 90 days	9,476	(84)	9,392
Past due 91 - 180 days	4,303	(244)	4,059
	<b>303,372</b>	<b>(328)</b>	<b>303,044</b>
<b><u>Credit impaired</u></b>			
Past due more than 180 days	3,537	(3,537)	-
Individually impaired	1,348	(1,348)	-
	<b>308,257</b>	<b>(5,213)</b>	<b>303,044</b>
<b><u>31-Dec-21</u></b>			
Not past due	252,809	(211)	252,598
Past due 1 - 90 days	8,060	(168)	7,892
Past due 91 - 180 days	1,051	(204)	847
	<b>261,920</b>	<b>(583)</b>	<b>261,337</b>
<b><u>Credit impaired</u></b>			
Past due more than 180 days	3,725	(3,725)	-
Individually impaired	1,000	(1,000)	-
	<b>266,645</b>	<b>(5,308)</b>	<b>261,337</b>

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

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 individually

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

**Derivatives**

The outstanding forward foreign currency contracts entered as at 30 September 2022 are as follows:

*In thousands of RM*

Type Derivatives	Nominal Amount	Net Fair Value Assets / (Liabilities)	Maturity
Forward foreign exchange contracts	22,708	(1,139)	Less than 1 year

Derivative financial instruments entered into by the Group are similar to those disclosed in the consolidated annual financial statements for the year ended 31 December 2021. 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-22</b>	<b>31-Dec-21</b>
Unsecured	- Foreign currency borrowings	60,918	56,117
	- Local currency borrowings	63,741	23,366
		<u>124,659</u>	<u>79,483</u>
Amount due within the next 12 months		74,659	79,483
Amount due between two to five years		50,000	-

*In thousands of RM*

Functional Currency	Denominated In	<b>30-Sep-22</b>	<b>31-Dec-21</b>
RM	RM	63,741	23,366
RM	USD	-	1,092
EUR	EUR	1,741	1,794
AUD	AUD	12,790	12,873
IDR	IDR	30,210	24,841
IDR	USD	16,177	15,517
		<u>124,659</u>	<u>79,483</u>

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

The borrowings due within the next 12 months consist of bank trade facilities, while the borrowings due between 2 to 5 years consist of Islamic Medium Term Notes (“IMTN”). 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 0.699% to 8.15% (2021: 0.56% to 6.95%) per annum.

**B9. CHANGES IN MATERIAL LITIGATION**

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

**B10. DIVIDEND**

The Board has declared an interim single-tier dividend of 7 sen per ordinary share (2021: Nil per ordinary share) for the financial year ending 31 December 2022 to be paid on 21 December 2022 to shareholders whose names appear in the Record of Depositors on 8 December 2022.

A depositor shall qualify for entitlement to the dividend only in respect of:

- a) Shares transferred into the depositor’s securities account before 4.30 p.m. on 8 December 2022 in respect of ordinary transfers; and
- b) Shares brought on Bursa Malaysia Securities Berhad on a cum entitlement basis in accordance to the Rules of Bursa Malaysia Securities Berhad.

**B11. EARNINGS PER SHARE**

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
Profit/(loss) attributable to the owners of the Company (RM'000)	8,114	(25,668)	18,283	(27,675)
Weighted average number of ordinary shares in issue ('000)	195,494	195,494	195,494	195,494
<b>Basic EPS/(LPS) (sen)</b>	<b>4.15</b>	<b>(13.13)</b>	<b>9.35</b>	<b>(14.16)</b>

The total number of ordinary shares issued by the Company as at 30 September 2022 was 195,494,300 (30 September 2021: 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>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Current	Corresponding	Cumulative	Corresponding
	Quarter Ended	Quarter Ended	Year To Date	Year To Date
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
(a) Interest income	(1,682)	(1,144)	(4,267)	(3,818)
(b) Interest expense	1,611	1,048	3,940	3,430
(c) Depreciation and Amortization	15,494	15,190	52,210	45,657
(d) Net impairment (gain)/loss on trade receivables	(36)	1,056	(234)	1,006
(e) (Write back)/provision for slow moving stock	(230)	1,607	1,531	1,678
(f) Net gain on disposal of property, plant and equipment	(110)	(25)	(146)	(108)
(g) Net foreign exchange gain	(2,628)	(196)	(7,040)	(857)
(h) Loss/(gain) on derivatives	513	(78)	1,561	(164)

**B13. AUTHORISATION FOR ISSUE**

The condensed consolidated interim financial statements have been authorised for issue by the Board of Directors in accordance with its resolution on 21 November 2022.

**BY ORDER OF THE BOARD**

SOO SHIOW FANG  
 Company Secretary  
 Kuala Lumpur  
 Dated: 21 November 2022