



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

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2014 – unaudited**

<i>In thousands of RM</i>	INDIVIDUAL/CUMULATIVE QUARTER (Restated)	
	Current Quarter Ended 31-Mar-14	Corresponding Quarter Ended 31-Mar-13
Revenue	308,124	285,327
Results from operating activities	34,254	36,552
Finance costs	(69)	(127)
Finance income	2,623	2,869
Share of profit of equity-accounted investee, net of tax	401	227
Profit before tax	37,209	39,521
Income tax expense	(8,450)	(8,802)
Profit for the period	28,759	30,719
Other comprehensive (expenses)/income, net of tax		
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit liability	50	-
Items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	1,320	(86)
Share of foreign currency translation differences of equity-accounted investee	300	4
Other comprehensive (expenses)/income for the period, net of tax	1,670	(82)
Total comprehensive income for the period	30,429	30,637
Profit attributable to :		
Owners of the Company	25,409	28,142
Non-controlling interests	3,350	2,577
Profit for the period	28,759	30,719
Total comprehensive income attributable to :		
Owners of the Company	27,079	28,060
Non-controlling interests	3,350	2,577
Total comprehensive income for the period	30,429	30,637
Earnings per share		
Basic (sen)	12.98	14.38
Diluted (sen)	N/A	N/A

The above condensed consolidated statement of comprehensive income should be read conjunction with the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2014 – unaudited

<i>In thousands of RM</i>	As at 31-Mar-14	As at 31-Dec-13	As at 1-Jan-13
Assets			
Property, plant & equipment	249,339	234,123	212,477
Prepaid lease payments	15,228	14,586	15,286
Investment property	16,430	16,617	17,002
Investment in an associate	8,149	8,455	-
Investment in joint ventures	34,702	32,651	30,956
Intangible asset	953	873	474
Deferred tax assets	16,906	15,683	12,801
Total non-current assets	341,707	322,988	288,996
Inventories	226,977	229,062	167,627
Trade and other receivables, including derivatives	312,947	355,661	238,575
Cash and cash equivalents	332,166	306,416	424,909
Total current assets	872,090	891,139	831,111
Total assets	1,213,797	1,214,127	1,120,107
Equity			
Share capital	201,600	201,600	201,600
Reserves	755,039	727,961	698,840
Treasury shares	(12,812)	(12,806)	(12,796)
Total equity attributable to owners of the Company	943,827	916,754	887,644
Non-controlling interests	29,550	26,200	20,821
Total equity	973,377	942,954	908,465
Liabilities			
Deferred tax liabilities	2,107	2,010	1,344
Employee benefits	10,205	10,301	13,187
Total non-current liabilities	12,312	12,311	14,531
Trade and other payables, including derivatives	210,290	239,398	172,973
Short term borrowings	14,064	12,847	20,570
Taxation	3,754	6,617	3,568
Total current liabilities	228,108	258,862	197,111
Total liabilities	240,420	271,173	211,642
Total equity and liabilities	1,213,797	1,214,127	1,120,107

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2014 - unaudited**

<i>In thousands of RM</i>	<----- Non-Distributable ----->			Distributable		Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Trans-lation reserve	Share premium	Retained profits			
At 1-Jan-13	201,600	(12,796)	(6,834)	17,898	687,776	887,644	20,821	908,465
Foreign currency translation difference for foreign operation	-	-	(82)	-	-	(82)	-	(82)
Profit for the period	-	-	-	-	28,142	28,142	2,577	30,719
Total comprehensive income for the period	-	-	(82)	-	28,142	28,060	2,577	30,637
Own shares acquired	-	(5)	-	-	-	(5)	-	(5)
Subscription of shares in a subsidiary by non-controlling interest	-	-	-	-	-	-	-	-
Total distribution to owners	-	(5)	-	-	-	(5)	-	(5)
Dividend paid	-	-	-	-	-	-	-	-
Acquisition of non-controlling interest in a subsidiary	-	-	-	-	-	-	-	-
At 31 Mar-2013	201,600	(12,801)	(6,916)	17,898	715,918	915,699	23,398	939,097
At 1-Jan-14	201,600	(12,806)	(12,142)	17,898	722,204	916,754	26,200	942,954
Remeasurement of defined benefit asset	-	-	-	-	50	50	-	50
Foreign currency translation difference for foreign operation	-	-	1,620	-	-	1,620	-	1,620
Profit for the period	-	-	-	-	25,409	25,409	3,350	28,759
Total comprehensive income for the period	-	-	1,620	-	25,459	27,079	3,350	30,429
Own shares acquired	-	(6)	-	-	-	(6)	-	(6)
Total distribution to owners	-	(6)	-	-	-	(6)	-	(6)
Dividend paid	-	-	-	-	-	-	-	-
At 31-Mar-2014	201,600	(12,812)	(10,522)	17,898	747,663	943,827	29,550	973,377

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2014 – unaudited

	Current Year to Date <u>31-Mar-14</u>	Corresponding Year To Date <u>31-Mar-13</u>
<i>In thousands of RM</i>		
Cash flows from operating activities		
Profit before tax and non-controlling interests	37,209	39,521
Adjustments for non-cash items	13,998	12,673
Changes in working capital	6,281	(39,691)
Cash generated from operations	57,487	12,503
Interest/Tax/Employee benefits/provision	(11,736)	(11,619)
Net cash from operating activities	45,751	884
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	363	132
Acquisition of property, plant and equipment	(21,933)	(18,362)
Lease payment for leasehold land	(642)	(167)
Additions of intangible assets	(80)	(62)
Subscription of shares in joint ventures	(1,044)	-
Net cash used in investing activities	(23,336)	(18,459)
Cash flows from financing activities		
Drawdown /(Repayment)of trade loan	1,095	(3,355)
Repayment of short-term borrowings	122	57
Purchase of treasury shares	(6)	(5)
Net cash from/(used in) financing activities	1,211	(3,303)
Net (decrease)/increase in cash and cash equivalents	23,627	(20,878)
Effect of exchange rate fluctuations on cash held	2,124	(983)
Cash and cash equivalents at 1 January	306,416	421,740
Cash and cash equivalents at the end of period	332,166	399,879

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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

1. BASIS OF PREPARATION

This condensed consolidated interim financial statement (Condensed Report) has been prepared in accordance with MFRS134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This Condensed Report also complies with IAS34: *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB).

This condensed report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013. The explanatory notes attached to the condensed report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the financial year ended 31 December 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statement (2011): Investment Entities
Amendments to MFRS 132	Financial Instruments: Presentation –Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
Amendments to MFRS 139	Financial Instruments: Recognition and Measurement –Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretation 21	Levies

2.2 MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2014

Amendments to MFRS 1	First-time adoption of Malaysian Financial Reporting Standards (Annual Improvement 2011 – 2013 Cycle)
Amendments to MFRS 2	Share-based Payment (Annual Improvement 2010 – 2012 Cycle)
Amendments to MFRS 3	Business Combinations (Annual Improvement 2010 – 2012 Cycle and 2011 – 2013 Cycle)
Amendments to MFRS 13	Fair Value Measurement (Annual Improvement 2010 – 2012 Cycle and 2011 – 2013 Cycle)
Amendments to MFRS 116	Property, Plant and Equipment (Annual Improvement 2010 – 2012 Cycle)
Amendments to MFRS 119	Employee Benefits – Defined Benefit Plans: Employee Contributions
Amendments to MFRS 124	Related Party Disclosures (Annual Improvement 2010 – 2012 Cycle)
Amendments to MFRS 138	Intangible Assets (Annual Improvement 2010 – 2012 Cycle)
Amendments to MFRS 140	Investment Property (Annual Improvement 2011 – 2013 Cycle)

2.3 MFRSs, Interpretations and amendments effective for a date yet to be confirmed

MFRS 9	Financial Instruments (2009)
MFRS 9	Financial Instruments (2010)
MFRS 9	Financial Instruments –Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139
Amendments to MFRS 7	Financial Instruments: Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures

The Group will adopt the above mentioned accounting standards, amendments and interpretation when they become effective in the respective financial periods. The initial application of the accounting standards, amendments or interpretations are not expected to have material financial impacts to the current period and prior period financial statements of the Group.

3. 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.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

NIL.

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

NIL.

6. DEBT AND EQUITY SECURITIES

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

<i>In thousands of RM</i>		
<u>Month</u>	<u>No. of shares repurchased</u>	<u>Total consideration</u>
Feb-14	1,000	6
Total	1,000	6

7. DIVIDENDS PAID

No dividends were paid during the quarter ended 31 March 2014.

8. SEGMENTAL INFORMATION

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

- *Suspension Division, Malaysia:* comprises business in products such as leaf springs, parabolic springs, coil springs, shock absorbers, Gas Springs, U-bolts and metal parts.
- *Interior & Plastics Division, Malaysia:* comprises business in products such as plastics parts, interiors, seatings for motor vehicles, buses, auditoriums and cinemas.
- *Electrical & Heat Exchange Division, Malaysia:* comprises business in products such as air-conditioning systems, radiators, starter motors, alternators, wiper system, distributors and other electrical parts.
- *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.
- *Others, 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 engineering and research services.
- *Operations Outside Malaysia:* comprises businesses in Indonesia, Vietnam and Australia

Performance of these operating segments is measured primarily on the gross sales and the profit before tax. The results by segments for the quarter are as follows:

In thousands of RM

INDIVIDUAL/CUMULATIVE QUARTER

	31-Mar-14		31-Mar-13	
	<u>Segment Revenue</u>	<u>Profit/(loss) before tax</u>	<u>Segment Revenue</u>	<u>Profit before tax</u>
Operations within Malaysia				
Suspension	57,959	4,835	54,972	4,889
Interior & Plastics	225,355	25,331	209,183	28,540
Electricals & Heat Exchange	62,035	4,550	58,132	3,533
Marketing	46,813	2,050	49,465	3,007
Others	8,109	(895)	8,128	(797)
Operations outside Malaysia	12,232	818	9,039	383
	412,503	36,689	388,919	39,555
Eliminations	(104,380)	520	(103,592)	(34)
	308,124	37,209	285,327	39,521

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

9. RELATED PARTY DISCLOSURES

The following are significant related party transactions:-

In thousands of RM

INDIVIDUAL/CUMULATIVE QUARTER

<u>With TCMH Group</u>	Current Quarter Ended 31-Mar-14	Corresponding Quarter Ended 31-Mar-13
Sales of goods	32,105	36,844
Rental income	501	435
Insurance agency services	(1,852)	(1,450)
Rental expense	(2)	(3)
Purchase of goods and services	(2,806)	(2,069)

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

In thousands of RM

<u>With TCIL Group</u>	Current Quarter Ended 31-Mar-14	Corresponding Quarter Ended 31-Mar-13
Sales of goods	33,423	16,282
Purchase of goods and services	(78)	(322)

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

10. CASH AND BANK BALANCES OF THE GROUP

<i>In thousands of RM</i>	<u>As at 31-Mar-14</u>	<u>As at 31-Dec-2013</u>	<u>As at 01-Jan-13</u>
Cash and bank balances	67,393	24,210	19,841
Deposits placed with licensed banks	264,772	282,206	405,068
	332,166	306,416	424,909

11. CAPITAL COMMITMENTS

In thousands of RM

	<u>31-Mar-14</u>	<u>31-Mar-13</u>
Authorized but not contracted for	18,238	15,339
Contracted but not provided for	7,082	2,645
Total	25,320	17,984

12. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and no changes in the contingent liability since 31 December 2013.

13. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in composition of the group since 31 December 2013

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN
MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

14. OPERATING SEGMENTS REVIEW

Group Review

1Q14 vs. 1Q13

The Group's 1Q14 revenue of RM308.12million was higher by 8.0% compared to 1Q13 of RM285.33million, mainly due to higher total industry production volume increasing by 5.0% from 146,051units in 1Q13 to 153,357units in 1Q14 [Source: Malaysian Automotive Association].

The Group's 1Q14 profit before tax (PBT) of RM37.21million was lower than 1Q13 of RM39.52million by 5.8%, mainly due to adjusted competitive pricing for OEMs.

Segmentation Review

Suspension

1Q14 vs. 1Q13

The Suspension Division recorded revenue of RM57.96million in 1Q14, an increase of 5.4% compared to RM54.97 million in 1Q13.

PBT for 1Q14 recorded RM4.84million, a slight decrease compared to RM4.89million in 1Q13, mainly due to increase in raw material costs.

Interior & Plastics

Revenue for Interior and Plastics Division recorded RM225.36million in 1Q14, an increase by 7.7% compared to 1Q13 of RM209.18million, mainly due to higher total industry production volume.

PBT in 1Q14 recorded RM25.33million, decreased by 11.2% compared to RM28.54million in 1Q13, mainly due to adjusted competitive pricing for OEMs.

Electrical & Heat Exchange

The Electrical & Heat Exchange Division recorded sales of RM62.04million in 1Q14 was higher than 1Q13 of RM58.13million by 6.7%.

PBT for 1Q14 of RM4.55million was 28.9% higher than RM3.53million in 1Q13, mainly due to higher production for new vehicles models launched by OEMs.

Marketing

This Division recorded revenue of RM46.81million in 1Q14 which was lower by 5.4% than 1Q13 of RM49.47million, mainly due to lower export sales.

PBT for 1Q14 of RM2.05million was lower than 1Q13 of RM3.01million by 31.9%, mainly due to lower export sales.

Others, Malaysia

This segment comprises mainly operations relating to the rental of properties in Malaysia, provision of management services, engineering and research services for companies within the Group. The revenue streams were mainly rental and services fee charged within the Group and formed part of inter-segment elimination for the total Group's results (as depicted in Note 8).

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

OPERATING SEGMENTS REVIEW (CONT'D)

Operations outside Malaysia

Operations outside Malaysia recorded revenue of RM12.23million in 1Q14, an increase of 35.3% compared to RM9.04million in 1Q13, mainly due to increase in production for newly developed businesses.

The segment's higher PBT of RM0.82million in 1Q14 compared to RM0.38million in 1Q13 was mainly due to higher production volume.

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

There was no material change to the Group's performance. Group revenue of RM308.12million recorded in 1Q14 was 0.6% higher than that of RM306.38million in 4Q13. The Group's PBT of RM37.21million in 1Q14 increased slightly from RM37.12million in 4Q13, mainly due to higher production volume in 1Q14.

16. COMMENTARY ON PROSPECTS AND TARGETS

The Malaysian Automotive Association has forecasted total industry volume of 670,000 units in 2014 which is a growth of 2.2% above the 655,793units achieved in 2013. Among the many challenges faced by the automotive industry in Malaysia, which may impact on domestic demand forecast would be, anticipated consumers cut back on spending and more stringent rules on bank borrowing. Despite the above scenario, the group is cautiously optimistic that its performance in forthcoming quarters will remain satisfactory.

17. INCOME TAX EXPENSE

The Group's effective tax rate is lower than the statutory tax rate due mainly to the availability of tax incentives.

INDIVIDUAL/CUMULATIVE QUARTER

<i>In thousands of RM</i>	Current Quarter Ended <u>31-Mar-14</u>	Corresponding Quarter Ended <u>31-Mar-13</u>
<u>Current tax</u>		
- Current year	(9,431)	(8,655)
- Prior year	(138)	155
<u>Deferred tax</u>		
- Current year	2,096	(530)
- Prior year	(970)	241
Withholding Tax	(7)	(13)
	<u>(8,450)</u>	<u>(8,802)</u>

18. CORPORATE PROPOSALS

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

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

19. RETAINED EARNINGS

(RM'000)	As At 31-Mar-14	As At 31-Dec-13
Total retained profits/(accumulated losses) of the company and its subsidiaries		
- realised profit	748,119	713,550
- unrealised losses	(20,620)	(9,767)
	<u>727,499</u>	<u>703,783</u>
Total share of retained profits of associate:		
- realised profit	8,925	8,260
Total share of retained profits of joint ventures		
- realised profit	21,230	21,834
	<u>757,654</u>	<u>733,877</u>
Consolidation adjustments	(9,991)	(11,673)
Total group retained profits as per consolidated accounts	<u>747,663</u>	<u>722,204</u>

20. BORROWINGS AND DEBT SECURITIES

<i>In thousands of RM</i>	Current Quarter Ended 31-Mar-14	Corresponding Quarter Ended 31-Dec-13
Unsecured - Trade loan	13,401	12,306
- Short term borrowings	663	541
	<u>14,064</u>	<u>12,847</u>
Amount due within the next 12 months	14,064	12,847
	<u>14,064</u>	<u>12,847</u>

Group borrowings breakdown by currencies.

<i>In thousands of RM</i>	Current Quarter Ended 31-Mar-14	Corresponding Quarter Ended 31-Dec-13
Functional Denominated		
Currency In		
RM RM	663	541
USD USD	13,401	12,306
	<u>14,064</u>	<u>12,847</u>

21. CHANGES IN MATERIAL LITIGATION

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

22. PROPOSED DIVIDEND

No dividends has been proposed for the 1st quarter ended 31 March 2014.

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

23. EPS

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

Basic EPS	Quarterly ended	
	31-Mar-14	31-Mar-13
Profit attributable to the owners of the Company (RM'000)	25,320	28,142
Weighted average number of ordinary shares in issue ('000)	195,686	195,688
Basic EPS (sen)	12.94	14.38

24. Notes to the Condensed Consolidated Income Statement

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

<i>In thousands of RM</i>	Current Quarter Ended 31-Mar-14	Corresponding Quarter Ended 31-Mar-13
(a) Interest income	2,623	2,869
(b) Other income including investment income	1,305	980
(c) Interest expense	(69)	(127)
(d) Depreciation and Amortization	(8,012)	(7,963)
(e) Provision of and write off receivables	412	109
(f) Provision of and write off inventories	(1,528)	(430)
(g) Gain or (loss) on disposal of quoted property, plant and equipment	129	21
(h) Impairment of assets	-	-
(i) Foreign exchange gain or (loss)	(113)	538
(j) Gain or (loss) on derivative	(203)	(413)
(k) Exceptional items	-	-

25. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2013 was unqualified.

BY ORDER OF THE BOARD

Lee Yuen Lin
Company Secretary

Kuala Lumpur

20 May 2014