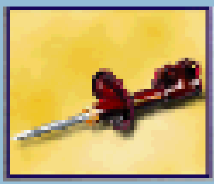
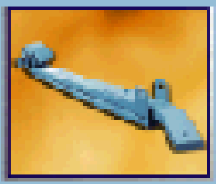
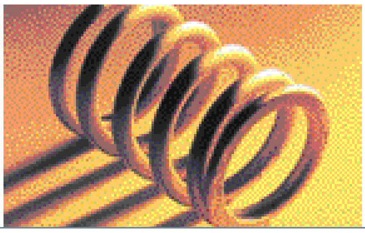



Laporan Tahunan 2002 Annual Report

APM Automotive Holdings Berhad

(Company No. 424838-D)



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Corporate Information

DIRECTORS

Dato' Tan Heng Chew DJMK,JP
Chairman

Azman bin Badrillah
Executive Director

Koo Sian Chu
Executive Director

Dr. Fun Woh Peng
Executive Director

Dato' N. Sadasivan DPMP, JSM,KMN

Dato' Haji Kamaruddin @ Abas bin Nordin DSSA,KMN

Tan Eng Soon

Tan Eng Hwa

Ahmad bin Abdullah

Mohd. Sharif bin Haji Yusof

AUDIT COMMITTEE MEMBERS

Dato' N. Sadasivan DPMP, JSM,KMN
Chairman (Independent Non-Executive Director)

Dato' Haji Kamaruddin @ Abas bin Nordin DSSA,KMN
Independent Non-Executive Director

Mohd. Sharif bin Haji Yusof
Independent Non-Executive Director

Koo Sian Chu
Executive Director

COMPANY SECRETARIES

Lee Kwee Cheng

Chan Yoke-Lin

REGISTERED OFFICE

62 – 68 Jalan Ipoh,51200 Kuala Lumpur, Malaysia
Telephone : (603) 4041 1044
Fax : (603) 4042 7198
E-mail : apmah@apm-automotive.com
Website : www.apm-automotive.com

REGISTRARS

Tenaga Koperat Sdn. Bhd.
20th Floor Plaza Permata
Jalan Kampar, Off Jalan Tun Razak
50400 Kuala Lumpur
Telephone : (603) 4041 2188

AUDITORS

KPMG
Wisma KPMG, Jalan Dungun
Damansara Heights
50490 Kuala Lumpur

STOCK EXCHANGE LISTING

Kuala Lumpur Stock Exchange Main Board

Business Divisions

APM Automotive Holdings Berhad
(Company No. 424838-D)

SUSPENSION DIVISION

- Leaf Springs
- Shock Absorbers
- Coil Springs
- Metal Parts

INTERIOR/PLASTIC DIVISION

- Automotive Seats
- Plastic Parts
- Body Side Mouldings
- Interior Trim

ELECTRICAL AND HEAT EXCHANGE DIVISION

- Starter Motors
- Alternators
- Wiper Motors
- Distributors
- Engine Management Systems
- Air Conditioners
- Radiators

MARKETING DIVISION

- Local Replacement Market
- Export Market

OVERSEAS OPERATIONS

- Australia
- Canada/USA
- Indonesia
- China

Chairman's Statement

PENYATA PENGERUSI

On behalf of the Board of Directors, it gives me great pleasure to present the Annual Report and Audited Financial Statements for the financial year ended 31 December 2002. The Group enjoyed another good year with Group revenue increasing 5.5% to RM696.0 million from RM659.6 million in 2001 and consolidated profit before tax increasing 15.0% from RM79.6 million in 2001 to RM91.6 million. The revenue and profit achieved in 2002 is the highest ever for the Group since its public listing in December 1999.

Saya, bagi pihak Lembaga Pengarah, dengan sukacitanya membentangkan Laporan Tahunan dan Penyata Kewangan yang diaudit bagi tahun kewangan berakhir 31Disember 2002. Kumpulan mencapai prestasi yang baik dengan jumlah jualan Kumpulan bertambah sebanyak 5.5% kepada RM696.0 juta dari RM659.6 juta pada tahun 2001. Keuntungan sebelum cukai yang disatukan meningkat sebanyak 15.0%,dari RM79.6 juta pada 2001 kepada RM91.6 juta. Jualan dan keuntungan yang dicapai pada 2002 merupakan yang paling tinggi bagi Kumpulan sejak penyenaraian dibursa saham pada Disember 1999.

ORIGINAL EQUIPMENT (OE) MARKET

The Group's sales of OE parts to domestic vehicle manufacturers/assemblers grew by 5.7% in 2002. The increase would have been larger if not for the phasing out of the supply of Engine Management System (EMS) to a major national car model since July 2001. Excluding EMS sales, the Group's OE sales would have increased by 14.9% compared with 2001.

The increase in OE sales is mainly attributed to the strong growth in new motor vehicle sales in 2002, which grew by 9.7% from 396,381 units in 2001 to 434,954 units in 2002. The aggressive promotional activities organised by the motor distributors, the favourable financing packages offered and new model launches contributed to the growth.

The Group maintained its position as one of the leading supplier to practically all the motor manufacturers/assemblers in the country. The entry of certain Korean makes into the local market has also benefited the Group. The Group currently supplies seats, air-conditioners, radiators, electrical parts, coil springs, shock absorbers and plastic parts to these Korean makes.

PASARAN PERALATAN TULEN (OE)

Jualan peralatan tulen Kumpulan kepada pemasang/ pembuat kenderaan domestik meningkat sebanyak 5.7% pada tahun 2002. Peningkatan ini seharusnya lebih tinggi lagi jika tidak kerana pemberhentian bekalan Sistem Pengurusan Enjin (EMS) kepada sebuah model kereta nasional sejak Julai 2001. Jika tidak diambil kira jualan EMS, jualan OE Kumpulan seharusnya meningkat sebanyak 14.9% berbanding tahun 2001.

An aerial shot of APM's factory complex in Pandamaran, Port Klang

Pandangan dari udara kawasan kilang APM di Pandamaran, Pelabuhan Kelang

Peningkatan jualan OE ini sebahagian besar adalah disebabkan oleh pertumbuhan kukuh dalam jualan kenderaan bermotor baru pada 2002, yang meningkat 9.7% dari 396,381 unit pada 2001 kepada 434,954 unit pada 2002. Aktiviti promosi yang agresif oleh pengedar-pengedar kenderaan, pakej pembiayaan kewangan yang menarik serta pelancaran model-model baru telah menyumbang kepada peningkatan ini.

Kumpulan mengekalkan kedudukannya sebagai sebuah pembekal terulung kepada hampir semua pemasang/pembuat kenderaan bermotor di negara ini. Kemasukan beberapa kenderaan buatan Korea ke pasaran tempatan juga memberi manfaat kepada Kumpulan. Pada masa ini, Kumpulan membekalkan tempat duduk, penghawa dingin, radiator, barangan elektrik, spring gegelung, penyerap hentak dan barangan plastik kepada kenderaan-kenderaan buatan Korea ini.

Chairman's Statement
PENYATA PENGERUSI

REPLACEMENT (RE) MARKET

The Group's RE sales declined marginally in 2002 compared with 2001, due mainly to intense price competition in the local replacement market. The emergence of new competitors and increased competition from parts imported from neighbouring countries have resulted in a decline in general pricing in the RE market.

Despite the decline in the average sales value, we are glad to report that the Group has been able to maintain its market share through intensive sales campaigns, attractive dealer incentives schemes and increased sales efforts by our marketing department. In the high-performance shock absorber market, APM Motorsport Sdn Bhd also introduced its new R-Tech range of lowered shock absorbers, which was well received by motorists.

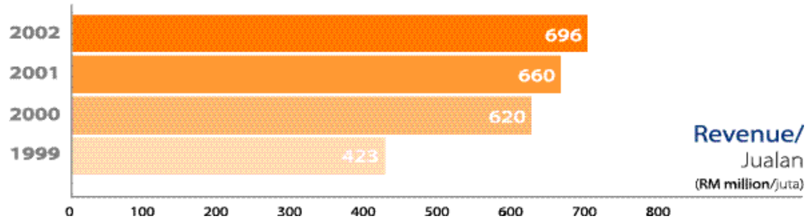
During the year, the Group launched its SMS stock checking system,which enables dealers to instantly access our inventory data. The Group also introduced its electronic catalogue, which enables our domestic and overseas dealers to access certain essential data on our parts such as new items introduced and their technical specifications.

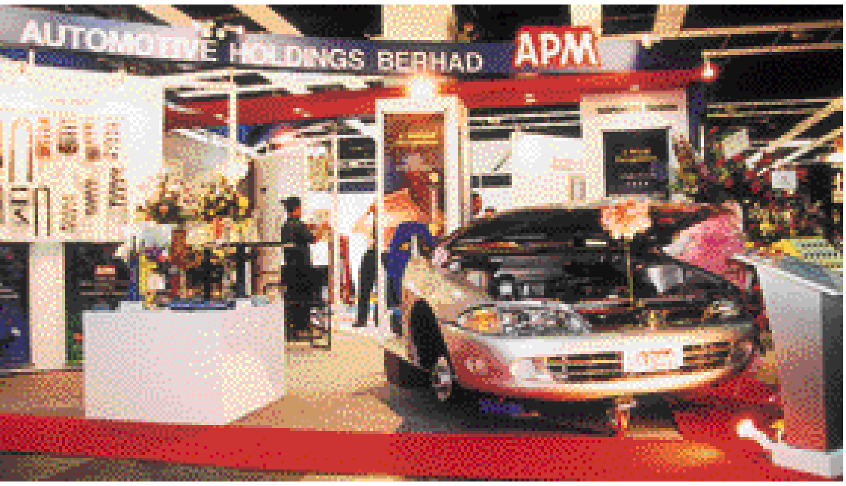
PASARAN GANTIAN (RE)

Jualan RE Kumpulan menurun sedikit pada 2002 berbanding 2001, hasil daripada saingan harga yang hebat di pasaran gantian tempatan. Kemunculan pesaing-pesaing baru dan peningkatan saingan dari barangan impot dari negara-negara jiran telah menyebabkan penurunan harga jualan secara umum di pasaran RE.

Di sebalik penurunan nilai purata jualan,sukacita kami melapurkan bahawa Kumpulan telah berjaya mengekalkan bahagian pasaran kami menerusi kempen-kempen jualan yang intensif, skim insentif pengedar yang menarik dan usaha-usaha meningkatkan jualan oleh bahagian pemasaran kami. Dalam pasaran penyerap hentak prestasi tinggi,APM Motorsport Sdn Bhd telah memperkenalkan penyerap hentak R-Tech lebih rendah, yang telah mendapat sambutan baik dari pengguna kenderaan.

Dalam tahun 2002, Kumpulan melancarkan sistem pemeriksaan stok SMS yang membolehkan pengedar-pengedar memperolehi data inventori kami. Kumpulan juga telah melancarkan katalog elektronik yang membolehkan pengedar-pengedar tempatan dan asing mendapat matlumat tertentu mengenai barangan kami seperti barangan-barangan yang terkini dan spesifikasi teknikalnya.





APM's exhibition booth at the AE Asia Exhibition 2002 in March 2002

Dewan pameran APM di AE Asia Exhibition 2002 pada bulan Mac 2002

EXPORT AND OVERSEAS MARKET

The Group's export and overseas sales increased by 23.0% in 2002 compared with 2001, attributed mainly to our strong overseas marketing efforts.

Export of leaf springs, coil springs and plastic parts recorded significant improvements during the year. The Group also commenced exports of air-conditioning parts to Italy, Saudi Arabia and Ecuador as well as leaf springs to China and Panama.

Export sales of coil springs to Korea, Canada and Germany as well as leaf springs to Australia, Italy and USA improved whilst sales to certain South American countries such as Ecuador and Paraguay suffered declines due to the economic downturn and currency depreciation in these countries. Our export of plastic parts to several Asian countries for installation as OE by a major motor manufacturer continues to increase and has expanded to other regions, including South America and India.

Our new subsidiary APM Components (USA) Inc., incorporated in the United States of America, commenced operations during the year. This company has achieved initial success in the marketing and distribution of automotive seats and components in the North American market through better service to customers.

PASARAN EKSPOT DAN LUAR NEGARA

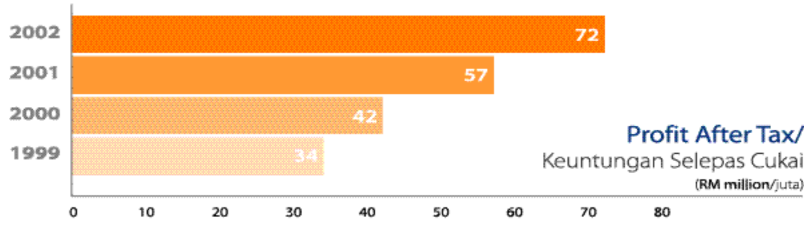
Jualan luar negara dan ekspot Kumpulan meningkat sebanyak 23.0% pada 2002 berbanding tahun 2001 disebabkan terutamanya oleh usaha-usaha pemasaran luar negera yang giat.

Ekspot spring dedaun, spring gegelung dan barangan plastik mencatatkan peningkatan ketara sepanjang tahun. Kumpulan juga memulakan ekspot barangan penghawa dingin ke Itali, Arab Saudi dan Ecuador serta spring dedaun ke China dan Panama.

Jualan ekspot spring gegelung ke Korea, Kanada dan Jerman serta spring dedaun ke Australia, Itali dan Amerika Syarikat telah menunjukkan peningkatan, manakala jualan ke beberapa negara Amerika Selatan seperti Ecuador dan Paraguay merosot disebabkan oleh kelembapan ekonomi dan penyusutan nilai matawang negara-negara berkenaan. Ekspot barangan plastik ke beberapa negara Asia untuk pemasangan OE oleh sebuah pembuat kenderaan bermotor utama terus meningkat dan telah berkembang ke rantau lain termasuk Amerika Selatan dan India.

Anak syarikat baru kami APM Components (USA) Inc., yang ditubuhkan di Amerika Syarikat telah memulakan operasinya pada tahun ini. Syarikat ini telah mencapai kejayaan awal dalam pemasaran dan pengedaran tempat duduk dan komponen automotif lain di pasaran Amerika Utara, menerusi servis yang lebih baik kepada pelanggan.

Chairman's Statement
PENYATA PENGERUSI



NEW DEVELOPMENTS

In April 2002, the Group entered into a joint venture with Fuji Seats Japan to manufacture motor vehicles seating in Malaysia.A new joint venture company, Fuji Seats (Malaysia) Sdn. Bhd was incorporated, with APM having a 70% interest.

The tie up with Fuji Seats Japan will enable the Group to further enhance our technological capabilities in seating and systems design particularly for certain national car models. The new company will operate from our newly completed premises located in Bukit Beruntung. This factory, constructed at a cost of RM5.3 million,will supply seats to our major customer in Serendah.

In April 2002, the Group also entered into a joint venture with Hefei WinKing Asset Co. Ltd. to manufacture car seats in Hefei, Anhui province in China. The joint venture company, Anhui Winking Auto Parts Manufacturing Co. Ltd, in which the Group has 60% interest, was established in the second half of the year and has successfully completed sample seats for supply to an associated company of its joint venture partner, JAC. The company is expected to record reasonable sales in the current year.

APM Plastics Sdn Bhd also completed construction of a new factory building in Bukit Beruntung at a cost of RM4.4 million. This new factory will supply plastic parts to our major customer in Serendah. The Group has also acquired additional land in Bukit Beruntung to prepare for supply of parts to the new Tanjung Malim plant of the national car.

PERKEMBANGAN TERKINI

Pada bulan April 2002, Kumpulan telah memasuki satu usahasama dengan Fuji Seats Japan untuk membuat tempat duduk kenderaan di Malaysia. Fuji Seats (Malaysia) Sdn. Bhd., sebuah syarikat usahasama baru telah ditubuhkan, dan APM memegang kepentingan sebanyak 70% dalam syarikat ini.

Kerjasama dengan Fuji Seats Japan akan membolehkan Kumpulan terus mengembangkan kemampuan teknologinya dalam rekaan sistem tempat duduk kenderaan, khususnya untuk beberapa model kenderaan nasional yang baru. Syarikat baru ini akan beroperasi dari kilang baru kami yang terletak di Bukit Beruntung. Kilang berkenaan yang dibina dengan kos RM5.3 juta akan membekalkan tempat duduk kepada pelanggan utama kami di Serendah.

Pada April 2002, Kumpulan juga telah menyertai usahasama dengan syarikat Hefei WinKing Asset Co. Ltd. untuk membuat tempat duduk kenderaan di Hefei, wilayah Anhui di China. Syarikat usahasama berkenaan, Anhui WinKing Auto Parts Manufacturing Co. Ltd, yang Kumpulan mempunyai kepentingan 60%, telah di tubuhkan pada setengah tahun kedua dan berjaya menyiapkan sampel tempat duduk untuk dibekalkan kepada JAC, sebuah syarikat bersekutu rakan kongsi syarikat berkenaan. Syarikat usahasama ini dijangka akan mencatatkan jualan yang memberangsangkan pada tahun 2003.

APM Plastics Sdn Bhd juga telah melengkapkan pembinaan sebuah kilang baru di Bukit Beruntung dengan kos RM4.4 juta. Kilang baru ini akan membekalkan barangan plastik kepada pelanggan utama kami di Serendah. Kumpulan juga telah membeli tanah tambahan di Bukit Beruntung sebagai persiapan membekalkan alat ganti ke kilang kereta nasional yang baru di Tanjung Malim.

Our Indonesian joint venture, P.T. APM Armada Autoparts in which the Group has 50% interest, completed the construction of its first plant in Magelang, Central Java. It has commenced small volume supply to one major OE customers and sample development for a second major customer. The company is expected to record reasonable sales in the current year. The joint venture also plans to establish a second factory in Jakarta, where some potential new customers are located.

Various items manufactured by APM exhibited at our Seri Kembangan office

Belbagai barangan buatan APM di pamerkan di pejabat kami di Seri Kembangan

In August 2002, APM Springs Sdn Bhd officially launched its automated parabolic springs production line. This new line, costing RM8 million, incorporates the latest state-of-the-art technology, quality and efficiency, and will increase our parabolic springs production capacity by another 200 tons per month per shift to 1,600 tons per month per shift. With this increased capacity, APM should be able to cater for the greater demand for parabolic springs, particularly from the European market.

In addition, APM Air-Conditioners Sdn Bhd has also completed the installation of its new brazing furnace. This new facility will increase the production of air-conditioning evaporators and condensers as well as aluminium radiators by 30%, enabling the Group to meet the increasing demand from both the local and export markets.

Syarikat usahasama kami di Indonesia, P.T. APM Armada Autoparts, di mana Kumpulan mempunyai kepentingan sebanyak 50%, telah menyiapkan pembinaan kilang pertamanya di Magelang, Java Tengah. Syarikat berkenaan telah mula menghantar bekalan kecil kepada satu pelanggan OE yang utama dan sampel pembangunan untuk pelanggan utama yang kedua. Syarikat berkenaan dijangka mencatat jualan munasabah pada tahun ini. Usahasama berkenaan juga merancang membina kilang kedua di Jakarta, dimana beberapa pelanggan berpotensi ditempatkan.

Pada bulan Ogos 2002, APM Springs Sdn Bhd telah melancarkan mesin baru pengeluaran spring parabolik automatik berharga RM8 juta yang mengabungkan teknologi canggih serta keberkesanan dan kualiti tinggi. Kami berharap akan meningkatkan kemampuan pengeluaran spring parabolik kami sebanyak 200 tan sebulan setiap syif untuk mencapai pengeluaran sebanyak 1,600 tan setiap bulan setiap syif. Dengan peningkatan ini, APM seharusnya mampu menampung permintaan lebih tinggi untuk spring parabolik terutamanya dari pasaran Eropah.

Tambahan lagi, APM Air-Conditioners Sdn Bhd juga telah menyiapkan pembinaan relau pateri baru yang akan menambahkan pengeluaran kondenser dan penyejat hawa dingin serta radiator aluminium sebanyak 30%. Ini akan membolehkan Kumpulan memenuhi permintaan dari kedua-dua pasaran ekspot tempatan dan luar negara.

Chairman's Statement
PENYATA PENGERUSI

AWARDS AND CERTIFICATIONS

Following on from the outstanding award from Ford Motor Co. USA in 2001, the Group continues to strive for improvements in quality and international recognition. During the year, another three subsidiaries were awarded the QS-9000 certification. These were APM Springs Sdn Bhd, APM Air-Conditioners Sdn Bhd and APM Shock Absorbers Sdn Bhd. This certification of quality management excellence is a prerequisite for the supply of parts to the top three motor manufacturers in the USA and is also recognised by many European and Asian manufacturers.

The Best Cost Performance Award from ASSB/Toyota won by APM Plastics Sdn Bhd

Anugerah Best Cost Performance dari ASSB/Toyota yang dimenangi oleh APM Plastics Sdn Bhd

On the environmental front, several companies in the Group were awarded the ISO14001 certification. These companies were APM Auto Electrics Sdn Bhd, APM Plastics Sdn Bhd and APM Coil Springs Sdn Bhd. ISO14001 requires the implementation of an Environmental Management System in accordance with defined internationally standards. As a responsible corporate citizen, the Group has implemented the necessary environmental standards for all our operations. Other companies in the Group are scheduled for certification in 2003.

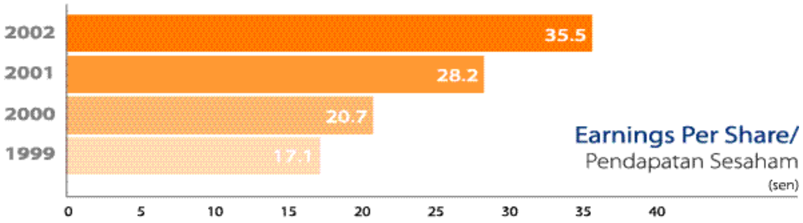
In addition to the above, APM Plastics Sdn Bhd also received the Best Cost Performance Award from ASSB Top Supplier Year 2001 at the 7th Toyota Supplier's Conference in May 2002.

ANUGERAH DAN PENSIJILAN

Menyusuli kejayaan anugerah kecemerlangan dari Ford Motor Co. USA pada tahun 2001, Kumpulan telah mengorak langkah meningkatkan kualiti serta mendapat pengiktirafan antarabangsa. Sepanjang tahun, tiga lagi anak syarikat telah menerima anugerah pensijilan QS-9000. Syarikat berkenaan adalah APM Springs Sdn Bhd, APM Air-Conditioners Sdn Bhd dan APM Shock Absorbers Sdn Bhd. Pensijilan bagi kecemerlangan kualiti pengurusan ini adalah syarat penting untuk membolehkan syarikat kami membekal barangan kepada tiga pembuat kenderaan bermotor utama di Amerika Syarikat. Ia juga diiktiraf oleh banyak pembuat kenderaan Eropah dan Asia.

Dalam aspek alam sekitar, beberapa syarikat dalam Kumpulan telah dianugerahi pensijilan ISO14001. Syarikat-syarikat berkenaan ialah APM Auto Electrics Sdn Bhd, APM Plastics Sdn Bhd dan APM Coil Springs Sdn Bhd. ISO14001 memerlukan perlaksanaan Sistem Pengurusan Alam Sekitar mengikut piawaian antarabangsa yang telah ditetapkan. Sebagai warga korporat yang prihatin, Kumpulan telah melaksanakan piawaian alam sekitar dalam semua operasi kami. Syarikat lain dalam Kumpulan berusaha untuk mendapatkan pensijilan pada 2003.

Selain itu, APM Plastics Sdn Bhd juga telah menerima Anugerah "Best Cost Performance" dari ASSB Top Supplier Year 2001 pada Persidangan Pembekal-Pembekal Toyota ke-7 dalam bulan Mei 2002.



DIVIDENDS

The Directors recommend the payment of a final dividend of 7% less 28% income tax (2001- 3% less income tax and 3% tax exempt). The payment of final dividend is subject to the approval by the shareholders at the forthcoming Annual General Meeting. The net final dividend distribution will be RM10.2 million, bringing the total dividend payout in respect of the year 2002 to RM21.5 million (2001– RM19.4 million)

FUTURE PROSPECTS

The strong motor vehicle sales recorded since January 2002 peaked in August 2002. Since September, vehicle sales experienced a sudden decline, and demand has remained weak right up to the first quarter of 2003. As a result, the prospects for 2003 remain uncertain; unless there is a strong reversal of this trend in the later part of 2003, we expect our 2003 sales to be weak.

The RE market will continue to face intense competition both from local as well as imported products, especially air-conditioning parts, shock absorbers and coil springs. Nevertheless, the Group is confident that we will be able to maintain our market share on the basis of our strong distribution network and established brand name.

The Group's exports and overseas sales should continue to improve in 2003 and beyond. With the establishment of our office in Los Angeles, the Group aims to further expand our sales in North America. Meanwhile, our joint venture operations in Indonesia and China should also contribute to the Group's revenue and profit in the current year.

DIVIDEN

Lembaga Pengarah mencadangkan bayaran dividen akhir 7% tolak 28% cukai (2001- 3% tolak cukai pendapatan dan 3% dikecualikan cukai). Bayaran dividen akhir ini tertakluk kepada kelulusan pemegang-pemegang saham pada Mesyuarat Agung Tahunan akan datang. Pengagihan bersih dividen akhir akan berjumlah RM10.2 juta, menjadikan jumlah pembayaran dividen bagi tahun 2002 sebanyak RM21.5 juta (2001 – RM19.4 juta).

PROSPEK MASA DEPAN

Jualan kukuh kenderaan bermotor yang dicatat sejak Januari 2002 memuncak dalam bulan Ogos 2002. Sejak September, jualan kenderaan mengalami penurunan mendadak dan permintaan kekal lembap sehingga suku tahun pertama 2003. Hasilnya, prospek bagi tahun 2003 masih tidak menentu. Jikalau tidak berlaku perubahan ketara dalam kecenderungan ini pada penghujung tahun, jualan bagi 2003 dijangka terus lemah.

Pasaran RE pula akan terus menghadapi saingan sengit dari keluaran tempatan mahupun barangan impot, terutamanya untuk barangan penghawa dingin, penyerap hentak dan spring gegelung. Walau bagaimana pun, Kumpulan yakin dapat mengekalkan bahagian pasaran berdasarkan rangkaian pengedaran kami yang kukuh dan jenama kami yang dikenali.

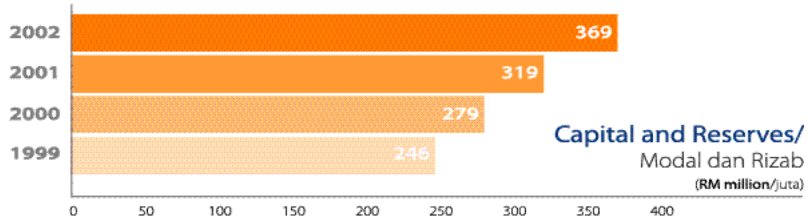
Jualan ekspot dan luar negara Kumpulan dijangka bertambah lagi pada 2003 dan tahun seterusnya. Dengan penubuhan pejabat kami di Los Angeles, Kumpulan mensasar untuk terus meningkatkan jualan di Amerika Utara. Operasi usahasama kami di Indonesia dan China juga dijangka menyumbang kepada pendapatan dan keuntungan tahun semasa Kumpulan.

ISO 14001 certification for APM Auto Electrics Sdn Bhd, APM Plastics Sdn Bhd and APM Coil Springs Sdn Bhd

Pensijilan ISO14001 untuk APM Auto Electrics Sdn Bhd, APM Plastics Sdn Bhd dan APM Coil Springs Sdn Bhd

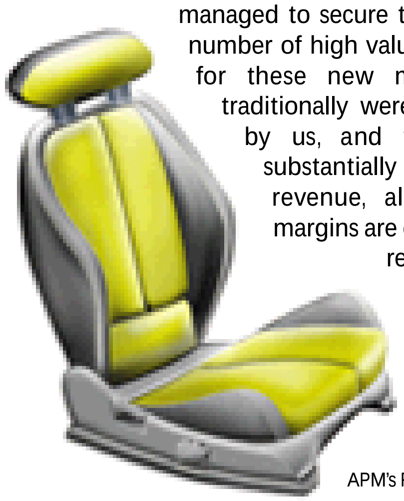
Chairman's Statement

PENYATA PENGERUSI



In summary, 2003 shall be a challenging year for both our OE and RE sectors. If the current weak market conditions continue, our Group's revenue and profitability will be affected and we may not be able to achieve another year of growth. The growth in our export and overseas sales will be too small to offset any decline in the domestic sector. On the longer term, the maturity of our China and Indonesia projects, coupled with the new parts to be supplied to the new national car models, should see the Group returning to our traditional growth path in 2004. Nevertheless, the economic performance of the country will still play an overiding role in determining the growth of the domestic motor industry in general and the Group in particular.

The Group is optimistic that in 2004, the industry will return to strong growth. Both national car manufacturers are planning new model launches in 2004 and this will generate more sales in the industry. The Group has managed to secure the supply of a number of high value components for these new models, which traditionally were not supplied by us, and this will add substantially to our Group's revenue, although profit margins are expected to be reduced with the more intense competition under AFTA.



APM's Futuristic seat design

Rekaan tempat duduk terkini APM

Sebagai kesimpulan, tahun 2003 bakal menjadi tahun amat mencabar bagi kedua-dua sektor OE dan RE kami. Sekiranya kelembapan pasaran berterusan, jualan dan keuntungan Kumpulan akan terjejas dan kemungkinan kami tidak akan mencapai pertumbuhan untuk satu tahun lagi. Peningkatan jualan luar negara dan ekspot tidak akan dapat mengimbangi penurunan dalam sektor tempatan. Dalam jangka masa lebih panjang, dengan kematangan projek kami di China dan Indonesia dan juga barangan tambahan yang akan dibekalkan kepada model-model baru kereta nasional pada tahun 2004, Kumpulan seharusnya dapat kembali berkembang seperti sebelum ini. Walaupun begitu, pertumbuhan industri permotoran tempatan secara umum dan Kumpulan secara khususnya bergantung besar atas prestasi ekonomi negara.

Kumpulan optimis bahawa industri kenderaan bermotor akan kembali kukuh pada tahun 2004. Kedua-dua pembuat kenderaan nasional merancang pelancaran model-model baru pada 2004 dan ini pasti akan mendorong jualan lebih tinggi dalam industri berkenaan. Kumpulan berjaya mendapatkan hak membekal beberapa komponen bernilai tinggi untuk model-model baru ini yang sebelum tidak dibekalkan oleh kami. Ini pasti memberi sumbangan besar kepada tahap jualan Kumpulan walaupun margin keuntungan dijangka menurun hasil saingan lebih hebat di bawah AFTA.

Artist impression of our new factory for Electrical Division to be built in Seri Kembangan

Lakaran kilang baru untuk Bahagian Elektrik kami yang akan dibina di Seri Kembangan

ACKNOWLEDGEMENTS

The Board would like to welcome Dr. Fun Woh Peng as an Executive Director to the Board. Dr. Fun joined the APM Group in 1997 and has served as General Manager for business development as well as of the seats and trim parts business. We are confident that Dr. Fun will continue to contribute to the future business development of the Group, especially the export sector.

I would also like to express the Board's appreciation to the Management and staff for their hard work and dedication during the past year, as well as to all our customers, suppliers, bankers, business associates and shareholders for their continued support for the Group.

PENGHARGAAN

Lembaga mengalu-alukan perlantikan Dr. Fun Woh Peng sebagai Pengarah Eksekutif baru. Dr. Fun mula menyertai kumpulan APM pada tahun 1997 dan telah berkhidmat sebagai Pengurus Besar dalam pembangunan perniagaan dan juga perniagaan tempat duduk. Kami yakin Dr. Fun akan terus menyumbang kepada pembangunan perniagaan Kumpulan, terutamanya dalam sector ekspot.

Saya juga ingin merakamkan penghargaan Lembaga kepada Pengurusan dan semua kakitangan di atas dedikasi dan usaha gigih mereka pada tahun lepas. Tidak ketinggalan juga semua pelanggan, pembekal, bank, rakan niaga dan para pemegang saham di atas sokongan berterusan mereka terhadap Kumpulan.

DATO' TAN HENG CHEW DJMK,JP
Chairman/Pengerusi
25 April 2003