

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2014 RMB'000	Preceding Year Quarter 30.06.2013 RMB'000	Current Year To Date 30.06.2014 RMB'000	Preceding Year To Date 30.06.2013 RMB'000
Revenue	196,884	202,505	376,470	387,902
Cost of Sales	<u>(136,867)</u>	<u>(138,384)</u> <sup>(1)</sup>	<u>(263,361)</u>	<u>(265,071)</u> <sup>(1)</sup>
Gross Profit	60,017	64,121	113,109	122,831
Other Income	1,720	1,168	4,372	3,003
Administrative Expenses	(12,813)	(9,387) <sup>(1)</sup>	(18,016)	(19,669) <sup>(1)</sup>
Selling and Distribution Expenses	(3,776)	(3,672)	(7,016)	(4,690)
Finance Costs	(192)	(355)	(254)	(616)
Listing Expenses	-	-	-	(11,298)
Profit Before Tax	44,956	51,875	92,195	89,561
Tax Expense	<u>(11,393)</u>	<u>(13,065)</u>	<u>(23,417)</u>	<u>(25,295)</u>
Profit After Tax	33,563	38,810	68,778	64,266
<b>Other Comprehensive Income After Tax:</b>				
Foreign Currency Translations	-	437	(1,021)	128
<b>Total Comprehensive Income</b>	<u>33,563</u>	<u>39,247</u>	<u>67,757</u>	<u>64,394</u>
<b>Profit After Tax Attributable to:</b>				
Equity Holders of the Parent	33,563	38,810	68,778	64,266
Non-Controlling Interests	-	-	-	-
	<u>33,563</u>	<u>38,810</u>	<u>68,778</u>	<u>64,266</u>
<b>Total Comprehensive Income Attributable to:</b>				
Equity Holders of the Parent	33,563	39,247	67,757	64,394
Non-Controlling Interests	-	-	-	-
	<u>33,563</u>	<u>39,247</u>	<u>67,757</u>	<u>64,394</u>
<b>Earnings Per Share Attributable to Equity Holders of the Parent</b>				
Basic (RMB)	0.0559	0.0647	0.1146	0.1071
Diluted (RMB)	<u>0.0559</u>	<u>0.0647</u>	<u>0.1146</u>	<u>0.1071</u>

Note (1) The following comparative figures have been reclassified to be consistent with the current year's presentation:

	Previously stated RMB'000	Reclassification RMB'000	Restated RMB'000
<b>3 months ended 30.06.2013</b>			
Cost of Sales	(139,908)	1,524	(138,384)
Administrative Expenses	<u>(7,863)</u>	<u>(1,524)</u>	<u>(9,387)</u>
<b>6 months ended 30.06.2013</b>			
Cost of Sales	(267,765)	2,694	(265,071)
Administrative Expenses	<u>(16,975)</u>	<u>(2,694)</u>	<u>(19,669)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>Unaudited As at 30.06.2014 RMB'000</b>	<b>Audited As at 31.12.2013 RMB'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	143,950	144,708
Land use rights	12,493	12,630
	<u>156,443</u>	<u>157,338</u>
<b>Current Assets</b>		
Inventories	38,639	15,495
Trade and other receivables	112,926	139,882
Cash and cash equivalents	476,895	388,941
	<u>628,460</u>	<u>544,318</u>
<b>TOTAL ASSETS</b>	<u><u>784,903</u></u>	<u><u>701,656</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Parent</b>		
Share capital	376,526	376,526
Reserves	334,747	266,990
<b>TOTAL EQUITY</b>	<u>711,273</u>	<u>643,516</u>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	2,333	2,333
<b>Current Liabilities</b>		
Trade and other payables	46,142	39,936
Short term borrowings	13,100	-
Current tax liabilities	12,055	15,871
	<u>71,297</u>	<u>55,807</u>
<b>TOTAL LIABILITIES</b>	<u>73,630</u>	<u>58,140</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>784,903</u></u>	<u><u>701,656</u></u>
<b>Net Assets Per Share (RMB)</b>	<u><u>1.1855</u></u>	<u><u>1.0725</u></u>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

	< ----- Non-distributable ----- >					Share-based Payment Reserve RMB'000	Distributable Retained Earnings RMB'000	Total Equity RMB'000
	Share Capital RMB'000	Share Premium RMB'000	Statutory Surplus RMB'000	Translation Reserve RMB'000	Merger Deficit RMB'000			
As at 1 January 2014	376,526	63,068	29,202	2,408	(257,135)	22,847	406,600	643,516
Profit after tax	-	-	-	-	-	-	68,778	68,778
Foreign currency translations	-	-	-	(1,021)	-	-	-	(1,021)
Total comprehensive income	-	-	-	(1,021)	-	-	68,778	67,757
As at 30 June 2014	376,526	63,068	29,202	1,387	(257,135)	22,847	475,378	711,273
As at 1 January 2013	320,555	-	12,850	1,690	(257,135)	22,847	292,244	393,051
Profit after tax	-	-	-	-	-	-	64,266	64,266
Foreign currency translations	-	-	-	(2,115)	-	-	128	(1,987)
Total comprehensive income	-	-	-	(2,115)	-	-	64,394	62,279
<b>Transaction with owners:</b>								
Issuance of ordinary shares	55,971	67,228	-	-	-	-	-	123,199
Share issue expenses	-	(4,160)	-	-	-	-	-	(4,160)
Deferred tax arising from undistributable profits of a subsidiary	-	-	-	-	-	-	(3,794)	(3,794)
As at 30 June 2013	376,526	63,068	12,850	(425)	(257,135)	22,847	352,844	570,575

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**

	Current Year To Date <b>30.06.2014</b> <b>RMB'000</b>	Preceding Year To Date <b>30.06.2013</b> <b>RMB'000</b>
Profit before tax	92,195	89,561
Adjustments for:		
Depreciation for property, plant and equipment	2,272	2,124
Amortisation of land use rights	138	137
Interest income	(1,407)	(625)
Interest expense	257	616
Unrealised foreign exchange gain	(394)	-
Operating profit before changes in working capital	93,061	91,813
Changes in working capital:		
Increase in inventories	(23,144)	(6,800)
Decrease/(increase) in trade and other receivables	28,363	(12,365)
Increase/(decrease) in trade and other payables	6,600	682 <sup>2</sup>
Cash generated from operating activities	104,880	73,330
Interest received	-	625
Interest paid	(257)	(616)
Tax paid	(27,233)	(21,181) <sup>2</sup>
Net cash generated from operating activities	77,390	52,158
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,515)	(17,374)
Net cash used in investing activities	(1,515)	(17,374)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	-	123,199
Share issue expense paid	-	(4,160)
Drawdown of borrowings	13,100	18,100
Repayment of borrowings	-	(12,100)
Net cash from financing activities	13,100	125,039
Net change in cash and cash equivalents	88,975	159,823
Effects of exchange rate changes on cash and cash equivalents	(1,021)	-
Cash and cash equivalents at beginning of financial year	388,941	218,761
Cash and cash equivalents at end of financial period	476,895	378,584

**Notes:**

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

	As at <b>30.06.2014</b> <b>RMB'000</b>	As at <b>30.06.2013</b> <b>RMB'000</b>
Cash and bank balances	386,895	378,584
Fixed deposits	90,000	-
	476,895	378,584

2. The following comparative figures have been reclassified to be consistent with the current year's presentation:

	Previously stated <b>RMB'000</b>	Reclassification <b>RMB'000</b>	Restated <b>RMB'000</b>
<b>6 months ended 30.06.2013</b>			
Increase/(decrease) in trade and other payables	(3,155)	3,837	682
Tax paid	(17,344)	(3,837)	(21,181)

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*

## **A. NOTES TO THE INTERIM FINANCIAL REPORT**

---

### **A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the requirements of IAS 34 Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached herein.

The explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2013.

The accounting policies and methods of computation adopted are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2013 except for the adoption of the following new IFRSs:

Title	Effective Date
Amendments to IFRS 10, IFRS 12 and IAS 27 Investment Entities	1 January 2014
Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to IAS 36 Recoverable Amount Disclosures for Non-financial Assets	1 January 2014
IC Interpretation 21 Levies	1 January 2014
Amendments to IAS 39 Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014

The Group has not adopted the following new IFRSs that have been issued, but not yet effective:

Title	Effective Date
IFRS 9 Financial Instruments (2010)	1 January 2015
IFRS 9 Financial Instruments (2009)	1 January 2015
IFRS 14 Regulatory Deferral Accounts	1 January 2016

Save and except for the possible impact on the adoption of IFRS 9 in the period of initial application which cannot be determined at present, the adoption of the above pronouncements will have no material impact on the Group.

### **A2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2013 was not qualified.

### **A3. Seasonality or Cyclicity of Operations**

Seasonal factors may partly affect the demand of the Group's products in The People's Republic of China ("PRC"), however, the geographical spread of the Group's distribution network in the said territory minimises the cyclicity effect.

### **A4. Unusual Items**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group during the current financial quarter.

### **A5. Changes in Estimates**

There were no changes in estimates of amounts reported in a prior financial quarter or a prior financial year that have a material impact on the current financial quarter.

**A. NOTES TO THE INTERIM FINANCIAL REPORT**

**A6. Changes in Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial quarter and year to-date.

**A7. Dividend Paid**

No dividends have been paid during the current financial quarter and year to-date.

**A8. Segmental Information**

The Group manages its business by divisions, which are organised by business lines. The Group has identified the following two reportable segments in a manner which is consistent with the way in which information is reported to the chief decision maker for purposes of resource allocation and performance assessment:

- (a) Manufacturing division - manufacture and sales of u-bolts, wheel axles, wheel-hub bolts and steel pins; and
- (b) Trading division - procurement and sales of torque-rod bushings.

The Group evaluates performance based on the basis of gross profit as reported in the statement of comprehensive income not including non-recurring losses, if any, and also excluding the effects of retirement benefit obligations.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2014 RMB'000	Preceding Year Quarter 30.06.2013 RMB'000	Current Year To Date 30.06.2014 RMB'000	Preceding Year To Date 30.06.2013 RMB'000
<b>Revenue</b>				
Manufacturing	175,541	166,106	320,455	306,195
Trading	21,343	36,399	56,015	81,707
	<u>196,884</u>	<u>202,505</u>	<u>376,470</u>	<u>387,902</u>
<b>Gross profit</b>				
Manufacturing	54,528	52,509	98,939	96,671
Trading	5,489	11,612	14,170	26,160
	<u>60,017</u>	<u>64,121</u>	<u>113,109</u>	<u>122,831</u>

The Group's assets and liabilities are managed on a group-wide basis and are not allocated to any of the operating segments.

The Group's business is entirely operated within PRC, and as such, there is no presentation of segment revenue and segment assets based on geographical location of customers and assets.

**A9. Valuation of Property, Plant and Equipment**

The Group does not have a policy of revaluing its property, plant and equipment.

**A. NOTES TO THE INTERIM FINANCIAL REPORT**

---

**A10. Material Events Subsequent to the End of the Current Financial Quarter**

There are no material events subsequent to the end of the current financial quarter which have not been reflected in the interim financial report.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current financial quarter.

**A12. Changes in Contingent Liabilities and Contingent Assets**

The Group has no contingent liabilities or contingent assets since the end of the last financial year.

**A13. Capital Commitments**

At the end of the current financial quarter, the Group has the following approved capital expenditure:

	<b>RMB'000</b>
Contracted but not provided for	6,000
Approved but not contracted for	<u>8,837</u>
	<u><u>14,837</u></u>

**A14. Significant Related Party Transactions**

The Group has no significant related party transaction during the current financial quarter.

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**

---

**B1. Performance Review**

For the current financial quarter, the Group recorded revenue of RMB196.9 million, down 2.8% compared to that of RMB202.5 million in the corresponding quarter last year. The decline was primarily due to the drop in the average selling prices by 10.3% year-on-year ("YoY") basis although this drop was mitigated to a large extent by the increase in the overall sales volume by 8.4% YoY.

The reduced selling prices caused the Group's gross margin to decrease to 30.5% for the current financial quarter from that of 31.7% for the corresponding quarter last year.

Corresponding with the drop in revenue and gross margins and coupled with the higher administrative expenses, the profit before tax ("PBT") decreased by 13.3% to RMB45.0 million in the current financial quarter from that of RM51.9 million in the corresponding period last year.

For the six (6) months period ended 30 June 2014, the Group recorded revenue of RMB376.5 million, a decrease of 2.9% over that of the corresponding period last year. This decrease was also mainly due to the drop in the average selling prices by 7.4% YoY, the effect of which was also mitigated by the increase in overall sales volume of 4.8% YoY.

As a consequence of the reduced selling prices, the Group's gross margin reduced to 30.0% for the current year-to-date from that of 31.7% for the corresponding period last year.

PBT year-to-date increased by 2.9% to RMB92.2 million from that of RMB89.6 million in the corresponding period last year. The previous period's PBT was impacted by the one-off listing expenses of RMB11.3 million. If this effect is eliminated, the PBT year-to-date would have decreased by 8.6% YoY.

**B2. Comments on Material Changes in the Profit before Taxation**

The Group's revenue for the current financial quarter increased by 9.6% to RMB196.9 million from that of RMB179.6 million in the preceding financial quarter. The long Chinese New Year holidays in the preceding quarter had affected the sales volume concerned due to the reduced working days.

Gross margin improved slightly by 3.1% from that of 29.6% in the preceding financial quarter to 30.5% in the current financial quarter due to the drop in the average unit cost of sales quarter-on-quarter ("QoQ").

Despite higher revenue and increased gross margins, the PBT declined 4.8% QoQ to RMB45.0 million in the current financial quarter due to higher administrative expenses. The increase in administrative expenses QoQ was mainly due to the payment of bonuses to the executive management amounting to RMB6.0 million.

**B3. Commentary on Prospects**

According to China Association of Automobile Manufacturers ("CAAM"), the demand for the commercial vehicles slumped in the first half of 2014. The production and sales of commercial vehicles reached 2.07 million and 2.05 million units respectively, down 0.6% and 3.2% YoY. CAAM forecasts that the vehicles sales will continue to slow down as PRC's economy is showing little signs of improvement.

Despite a general slow down in PRC's economy, the Group is confident that it can achieve a satisfactory financial performance in the current financial year given that the replacement parts market for chassis components in PRC is sustainable at the current level.



**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

---

**B4. Profit Forecast or Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after tax with profit forecast and shortfall in profit guarantee are not applicable.

**B5. Income Tax Expense**

	<b>Current Year Quarter 30.06.2014 RMB'000</b>	<b>Current Year To Date 30.06.2014 RMB'000</b>
Income tax expense:		
Current year	<u>11,393</u>	<u>23,417</u>
Effective tax rate	<u>25.3%</u>	<u>25.4%</u>

**B6. (a) Status of Corporate Proposals Announced**

There were no corporate proposals announced but not completed as at 11 August 2014, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

**(b) Status of utilisation of proceeds raised**

The utilisation of the gross proceeds from the Initial Public Offering of RM61.2 million in conjunction with listing for and quotation of the Company's shares on the Main Market of Bursa Securities on 30 January 2013 is as follows:

<b>Purpose of utilisation</b>	<b>Intended time-frame for utilisation from 30.1.2013</b>	<b>Proposed utilisation RM'000</b>	<b>Actual utilisation up to 11.08.2014 RM'000</b>
Expand production centre	Within 15 months	25,000	25,000
Increase production capacity	Within 18 months	6,100	1,784
Marketing and branding	Within 12 months	6,000	6,000
Estimated listing expenses and working capital	On-going	24,100	24,100
		<u>61,200</u>	<u>56,884</u>

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B7. Borrowings and Debt Securities**

	Secured RMB'000	Unsecured RMB'000	Total RMB'000
Short term bank borrowings	13,100	-	13,100

All borrowings are denominated in RMB, the functional currency of the primary operating subsidiary company in the PRC.

**B8. Changes in Material Litigations**

The Group has no material litigations as at 11 August 2014, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

**B9. Dividends Payable**

At the Company's Second Annual General Meeting held on 13 June 2014, the shareholders had approved a final dividend of RMB0.029 per ordinary share in respect of the financial year ended 31 December 2013 ("FYE 2013").

This final dividend will be paid on 5 September 2014 in cash in RM at the exchange rate determined on 22 April 2014 by reference to the middle exchange rate at 12:00 noon as quoted by Bank Negara Malaysia, to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 6 August 2014.

The middle exchange rate at 12:00 noon on 22 April 2014 as quoted by Bank Negara Malaysia of RMB to RM and the amount of the final dividend payable is as follows:

	Exchange rate	Dividend per ordinary share (sen)
RMB to RM	0.5235	1.518

No tax is payable on the dividends declared by the Company received by shareholders as it is income from a foreign source in accordance with Paragraph 28 of Schedule 6 of the Malaysian Income Tax Act, 1967.

The final dividend together with the interim dividend of 1 sen per ordinary share paid on 30 December 2013 will bring the total dividend declared for FYE 2013 to 2.518 sen per ordinary share of USD0.10 each.

**B10. Earnings per Share**

**Basic**

	Current Year Quarter 30.06.2014	Current Year To Date 30.06.2014
Profit attributable to ordinary equity holders of the parent (RMB'000)	33,563	68,778
Weighted average number of ordinary shares in issue ('000)	600,000	600,000
Basic earnings per share (RMB)	0.0559	0.1146

**B. ADDITIONAL INFORMATION REQUIRED BY THE MAIN MARKET LISTING REQUIREMENTS OF BURSA  
MALAYSIA SECURITIES BERHAD**

**Diluted**

The diluted earnings per share is same as basic earnings per share as the average market value of the ordinary shares of the Company during the current financial quarter and year to date is lower than the exercise price of the warrants and is anti-dilutive.

**B11. Profit before Tax**

Profit before tax is derived after taking into account the following income/(expense) items:

	<b>Current Year Quarter 30.06.2014 RMB'000</b>	<b>Current Year To Date 30.06.2014 RMB'000</b>
Interest income	410	1,407
Interest expense	(198)	(257)
Depreciation and amortisation	(1,268)	(2,410)
Gain on disposal of scrap inventories	1,343	2,571
Loss on disposal of property, plant and equipment	-	-
Other income including investment income	-	-
Provision for and write off of receivables	-	-
Provision for and write off of inventories	-	-
Gain or loss on disposal of quoted or unquoted investments or properties	-	-
Impairment of assets	-	-
Net foreign exchange gain or (loss)	(30)	394
Gain or (loss) on derivatives	-	-
Exceptional items	-	-

**B12. Supplementary Information Disclosed Pursuant to Bursa Securities' Listing Requirements**

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure pursuant to Bursa Securities' Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010:

	<b>As at 30.06.2014 RMB'000</b>	<b>As at 31.12.2013 RMB'000</b>
Total retained earnings of the Group:		
Realised	476,650	407,923
Unrealised	394	343
	<u>477,044</u>	<u>408,266</u>
Consolidation adjustment	(1,666)	(1,666)
	<u>475,378</u>	<u>406,600</u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirement stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

By Order of the Board

Lim Chien Joo (Ms)  
Company Secretary

18 August 2014

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)**  
**(Malaysian Foreign Company Registration No. 995377-M)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**APPENDICES – FINANCIAL STATEMENTS TRANSLATED INTO RINGGIT MALAYSIA (FOR ILLUSTRATIVE PURPOSES ONLY)**

The Board of Directors wish to highlight that the presentation currency adopted by the Group in preparing the interim financial statements is Renminbi ("RMB").

The following supplementary financial statements in Ringgit Malaysia ("RM") (which include condensed consolidated statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows) are shown for illustrative purposes only and have been translated at single exchange rate of RMB1 to RM0.5176 at 30 June 2014. The translation should not be construed as a representation that the RMB amounts actually have been or could be converted into RM at this or any other rate.

List of supplementary financial statements in RM:

Appendix A – Condensed Consolidated Statement of Comprehensive Income

Appendix B – Condensed Consolidated Statement of Financial Position

Appendix C – Condensed Consolidated Statement of Changes in Equity

Appendix D – Condensed Consolidated Statement of Cash Flows

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**  
(The figures have not been audited)

**APPENDIX A - CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2014 RM'000	Preceding Year Quarter 30.06.2013 RM'000	Current Year To Date 30.06.2014 RM'000	Preceding Year To Date 30.06.2013 RM'000
Revenue	101,907	104,817	194,861	200,778
Cost of Sales	<u>(70,842)</u>	<u>(71,628)</u> <sup>(1)</sup>	<u>(136,316)</u>	<u>(137,201)</u> <sup>(1)</sup>
Gross Profit	31,065	33,189	58,545	63,577
Other Income	890	605	2,263	1,554
Administrative Expenses	(6,632)	(4,859) <sup>(1)</sup>	(9,325)	(10,181) <sup>(1)</sup>
Selling and Distribution Expenses	(1,954)	(1,901)	(3,631)	(2,428)
Finance Costs	(99)	(184)	(131)	(319)
Listing Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,848)</u>
Profit Before Tax	23,270	26,850	47,721	46,355
Tax Expense	<u>(5,897)</u>	<u>(6,762)</u>	<u>(12,121)</u>	<u>(13,093)</u>
Profit After Tax	17,373	20,088	35,600	33,262
<b>Other Comprehensive Income After Tax:</b>				
Foreign Currency Translations	<u>-</u>	<u>226</u>	<u>(528)</u>	<u>66</u>
<b>Total Comprehensive Income</b>	<u>17,373</u>	<u>20,314</u>	<u>35,072</u>	<u>33,328</u>
<b>Profit After Tax Attributable to:</b>				
Equity Holders of the Parent	17,373	20,088	35,600	33,262
Non-Controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>17,373</u>	<u>20,088</u>	<u>35,600</u>	<u>33,262</u>
<b>Total Comprehensive Income Attributable to:</b>				
Equity Holders of the Parent	17,373	20,314	35,072	33,328
Non-Controlling Interests	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>17,373</u>	<u>20,314</u>	<u>35,072</u>	<u>33,328</u>
<b>Earnings Per Share Attributable to Equity Holders of the Parent</b>				
Basic (RM)	0.0290	0.0335	0.0593	0.0554
Diluted (RM)	<u>0.0290</u>	<u>0.0335</u>	<u>0.0593</u>	<u>0.0554</u>

Note (1) The following comparative figures have been reclassified to be consistent with the current year's presentation:

	Previously stated RM'000	Reclassification RM'000	Restated RM'000
<b>3 months ended 30.06.2013</b>			
Cost of Sales	(72,416)	789	(71,628)
Administrative Expenses	<u>(4,070)</u>	<u>(789)</u>	<u>(4,859)</u>
<b>6 months ended 30.06.2013</b>			
Cost of Sales	(138,595)	1,394	(137,201)
Administrative Expenses	<u>(8,786)</u>	<u>(1,394)</u>	<u>(10,181)</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**

**APPENDIX B - CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited As at 30.06.2014 RM'000	Audited As at 31.12.2013 RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	74,509	74,901
Land use rights	6,466	6,537
	<u>80,975</u>	<u>81,438</u>
<b>Current Assets</b>		
Inventories	20,000	8,020
Trade and other receivables	58,450	72,402
Cash and cash equivalents	246,841	201,316
	<u>325,291</u>	<u>281,738</u>
<b>TOTAL ASSETS</b>	<u><u>406,266</u></u>	<u><u>363,176</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity Attributable to Owners of the Parent</b>		
Share capital	194,890	194,890
Reserves	173,266	138,194
<b>TOTAL EQUITY</b>	<u>368,156</u>	<u>333,084</u>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	1,208	1,208
<b>Current Liabilities</b>		
Trade and other payables	23,882	20,671
Short term borrowings	6,780	-
Current tax liabilities	6,240	8,215
	<u>36,902</u>	<u>28,886</u>
<b>TOTAL LIABILITIES</b>	<u>38,110</u>	<u>30,094</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>406,266</u></u>	<u><u>363,178</u></u>
<b>Net Assets Per Share (RM)</b>	<u><u>0.6136</u></u>	<u><u>0.5551</u></u>

*The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**  
(The figures have not been audited)

**APPENDIX C - CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

	< ----- Non-distributable ----- >					Distributable		Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Statutory Surplus RM'000	Translation Reserve RM'000	Merger Deficit RM'000	Share-based Payment Reserve RM'000	Retained Earnings RM'000	
As at 1 January 2014	194,890	32,644	15,115	1,246	(133,093)	11,826	210,456	333,084
Profit after tax	-	-	-	-	-	-	35,600	35,600
Foreign currency translations	-	-	-	(528)	-	-	-	(528)
Total comprehensive income	-	-	-	(528)	-	-	35,600	35,072
As at 30 June 2014	194,890	32,644	15,115	718	(133,093)	11,826	246,056	368,156
As at 1 January 2013	165,919	-	6,651	875	(133,092)	11,826	151,265	203,444
Profit after tax	-	-	-	-	-	-	33,262	33,262
Foreign currency translations	-	-	-	(1,095)	-	-	66	(1,029)
Total comprehensive income	-	-	-	(1,095)	-	-	33,328	32,233
As at 30 June 2013	165,919	-	6,651	(220)	(133,092)	11,826	184,593	235,677

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*

**CHINA AUTOMOBILE PARTS HOLDINGS LIMITED** (Bermuda Company No. 46416)  
(Malaysian Foreign Company Registration No. 995377-M)  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2014**  
(The figures have not been audited)

**APPENDIX D - CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**

	<b>Current Year To Date 30.06.2014 RM'000</b>	<b>Preceding Year To Date 30.06.2013 RM'000</b>
Profit before tax	47,721	46,355
Adjustments for:		
Depreciation for property, plant and equipment	1,176	1,099
Amortisation of land use rights	71	71
Interest income	(728)	(324)
Interest expense	133	319
Unrealised foreign exchange gain	(204)	-
Operating profit before changes in working capital	48,169	47,520
Changes in working capital:		
Increase in inventories	(11,979)	(3,520)
Decrease/(increase) in trade and other receivables	14,681	(6,400)
Increase/(decrease) in trade and other payables	3,415	353
Cash generated from operating activities	54,286	37,953
Interest received	-	324
Interest paid	(133)	(319)
Tax paid	(14,096)	(10,963)
Net cash generated from operating activities	40,057	26,995
Cash flows from investing activities		
Purchase of property, plant and equipment	(784)	(8,993)
Net cash used in investing activities	(784)	(8,993)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	-	63,768
Share issue expenses	-	(2,153)
Drawdown of borrowings	6,780	9,369
Repayment of borrowings	-	(6,262)
Net cash from financing activities	6,780	64,722
Net change in cash and cash equivalents	46,053	82,724
Effects of exchange rate changes on cash and cash equivalents	(528)	-
Cash and cash equivalents at beginning of financial year	201,316	113,231
Cash and cash equivalents at end of financial period	246,841	195,955

**Notes:**

1. Cash and cash equivalents at the end of the financial year comprise the following:

	<b>As at 30.06.2014 RM'000</b>	<b>As at 30.06.2013 RM'000</b>
Cash and bank balances	200,257	195,956
Fixed deposits	46,584	-
	<u>246,841</u>	<u>195,956</u>

2. The following comparative figures have been reclassified to be consistent with the current year's presentation:

	<b>Before restated RM'000</b>	<b>Reclassification RM'000</b>	<b>Restated RM'000</b>
<b>6 months ended 30.6.2013</b>			
Increase/(decrease) in trade and other payables	(1,633)	1,986	353
Tax paid	(8,977)	(1,986)	(10,963)

*The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying explanatory notes attached to this interim financial report.*