

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 2016

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

	INDIVIDUAL QUARTER	INDIVIDUAL QUARTER	CUMULATIVE QUARTER	CUMULATIVE QUARTER
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	Quarter	Quarter	To Date	To Date
	30.06.2016	30.06.2015	30.06.2016	30.06.2015
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	115,022	182,265	170,299	294,920
Cost of Sales	<u>(90,898)</u>	<u>(127,892)</u>	<u>(129,836)</u>	<u>(208,210)</u>
Gross Profit	24,124	54,373	40,463	86,710
Other Operating Income	485	2,090	1,396	3,954
Administrative Expenses	(20,986)	(5,780)	(25,210)	(9,616)
Selling and Distribution Expenses	(8,870)	(13,166)	(11,355)	(17,001)
Finance Costs	<u>-</u>	<u>(98)</u>	<u>-</u>	<u>(105)</u>
(Loss)/Profit Before Tax	(5,247)	37,419	5,294	63,942
Tax Expense	<u>-</u>	<u>(28,929)</u>	<u>(2,658)</u>	<u>(35,687)</u>
(Loss)/Profit for the Financial Period	(5,247)	8,490	2,636	28,255
Other Comprehensive Income, Net of Tax				
Item that may be Reclassified Subsequently to Profit or Loss				
Currency Translation Differences	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Loss)/Profit and Other Comprehensive (Loss)/Income for the Financial Period	<u>(5,247)</u>	<u>8,490</u>	<u>2,636</u>	<u>28,255</u>
(Loss)/Profit for the Financial Period				
Attributable to:				
Owners of the Company	(5,247)	8,490	2,636	28,255
Non-Controlling Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(5,247)</u>	<u>8,490</u>	<u>2,636</u>	<u>28,255</u>
(Loss)/Profit and Other Comprehensive Income for the Financial Period				
Attributable to:				
Owners of the Company	(5,247)	8,490	2,636	28,255
Non-Controlling Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(5,247)</u>	<u>8,490</u>	<u>2,636</u>	<u>28,255</u>
(Loss)/Earnings Per Ordinary Share				
Attributable to Equity Holders of the Company				
Basic (RMB)	(0.004)	0.007	0.002	0.025
Diluted (RMB)	<u>(0.004)</u>	<u>0.007</u>	<u>0.002</u>	<u>0.025</u>

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 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 2016**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.06.2016 RMB'000 Unaudited	As at 31.12.2015 RMB'000 Audited
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	133,231	136,173
Land Use Rights	11,942	12,080
	145,173	148,253
Current Assets		
Inventories	11,678	10,488
Trade and Non-Trade Receivables	238,759	286,240
Cash and Bank Balances	501,868	431,475
	752,305	728,203
TOTAL ASSETS	897,478	876,456
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	86,400	733,841
Reserves	771,244	101,375
TOTAL EQUITY	857,644	835,216
LIABILITIES		
Current Liabilities		
Trade and Non-Trade Payables	33,562	26,392
Provision for Taxation	6,272	14,848
	39,834	41,240
TOTAL LIABILITIES	39,834	41,240
TOTAL EQUITY AND LIABILITIES	897,478	876,456
Net Assets Per Share (RMB)	0.630	0.719

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 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 2016

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	[-----Non-distributable-----]						Distributable		Total Equity RMB'000
	Share Capital RMB'000	Share Premium RMB'000	Statutory Surplus Reserve RMB'000	Translation Reserve RMB'000	Merger Deficit RMB'000	Share-based Payment Reserve RMB'000	Capital Redemption Reserve RMB'000	Retained Earnings RMB'000	
As at 1 January 2016	733,841	-	32,334	1,690	(257,135)	22,847	-	301,639	835,216
Profit for the financial period	-	-	-	-	-	-	-	2,636	2,636
Total comprehensive income	-	-	-	-	-	-	-	2,636	2,636
Transaction with owners:-									
Par Value Reduction	(660,457)	-	-	-	-	-	660,457	-	-
Exercise of Employees Share Option Scheme ("ESOS")	13,016	6,776	-	-	-	-	-	-	19,792
As at 30 June 2016	86,400	6,776	32,334	1,690	(257,135)	22,847	660,457	304,275	857,644
As at 1 January 2015	376,526	63,068	32,334	1,838	(257,135)	22,847	-	523,301	762,779
Profit for the financial period	-	-	-	-	-	-	-	28,255	28,255
Total comprehensive income	-	-	-	-	-	-	-	28,255	28,255
Transaction with owners:-									
Exercise of warrants	7,044	-	-	-	-	-	-	-	7,044
As at 30 June 2015	383,570	63,068	32,334	1,838	(257,135)	22,847	-	551,556	798,078

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 2015 and the accompanying explanatory notes attached to this interim financial report.

CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)
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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Current Year To Date 30.06.2016 RMB'000	Preceding Year To Date 30.06.2015 RMB'000
Operating activities		
Profit before tax	5,294	63,942
Adjustments for:-		
Allowance for impairment losses on trade receivables	14,495	-
Bad debts written off	979	-
Depreciation for property, plant and equipment	2,945	2,899
Amortisation of land use rights	138	137
Interest income	(882)	(2,843)
Interest expense	-	98
Operating profit before changes in working capital	22,969	64,233
Changes in working capital:-		
Inventories	(1,190)	814
Trade and non-trade receivables	32,007	(74,347)
Trade and non-trade payables	7,169	18,392
Cash generated from operating activities	60,955	9,092
Interest paid	-	(98)
Income tax paid	(11,233)	(18,188)
Net cash from/(used in) operating activities	49,722	(9,194)
Investing activities		
Interest received	882	-
Purchase of property, plant and equipment	(3)	-
Net cash from investing activities	879	-
Financing activities		
Proceeds from exercise of ESOS	19,792	-
Proceeds from issuance of ordinary shares	-	7,044
Drawdown of borrowings	-	7,000
Net cash from financing activities	19,792	14,044
Net changes in cash and cash equivalents	70,393	4,850
Cash and cash equivalents at beginning of financial period	431,475	437,948
Cash and cash equivalents at end of financial period	501,868	442,798

Note:

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

	As at 30.06.2016 RMB'000	As at 30.06.2015 RMB'000
Cash and bank balances	501,868	302,798
Fixed deposits	-	140,000
	501,868	442,798

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 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 2015 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 2015.

The accounting policies and methods of computation adopted in the interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2015 except for the changes in accounting policies resulting from the adoption of the applicable new and revised IFRSs that were effective for the financial periods commencing on or after 1 January 2016.

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

Title	Effective date
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 16 Leases	1 January 2019
Amendments to IAS 7 Disclosure Initiative	1 January 2017
Amendments to IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
Clarifications to IFRS 15	1 January 2018

The possible impact on adoption of the above pronouncements in the period of initial application cannot be determined at present.

A2. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 31 December 2015 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 for the current financial year to-date.

A5. Changes in Estimates

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

A. NOTES TO THE INTERIM FINANCIAL REPORT

A6. Changes in Debt and Equity Securities

On 11 April 2016, the Company reduced issued and paid up capital of the Company from USD116,158,760 to USD11,615,876 by cancelling the issued and paid up share capital of the Company to the extent of USD0.09 on each of the existing issued and paid up shares of USD0.10 par value so that each issued share of USD0.10 par value shall be treated as a fully paid up share of USD0.01 par value.

On 26 April 2016 and 9 May 2016, the Company issued 174,238,000 and 26,135,840 new ordinary shares of USD0.01 each respectively, at RM0.06 per share on the exercise of options granted to eligible employees pursuant to the ESOS on 19 April 2016 and 4 May 2016 respectively.

Save for the above, there were no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial year to-date.

A7. Dividends Paid

There were no payments of dividends 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 profit or loss and other 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 30.06.2016 RMB'000	Preceding Year Quarter 30.06.2015 RMB'000	Current Year To Date 30.06.2016 RMB'000	Preceding Year To Date 30.06.2015 RMB'000
Revenue				
Manufacturing	103,906	160,361	155,625	263,075
Trading	11,116	21,904	14,674	31,845
	115,022	182,265	170,299	294,920
Gross Profit				
Manufacturing	21,416	49,532	36,873	79,662
Trading	2,708	4,841	3,590	7,048
	24,124	54,373	40,463	86,710

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 information based on the geographical location of customers.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A9. Material Events subsequent to the End of the Current Financial Quarter

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

A10. Changes in the Composition of the Group

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

A11. Changes in Contingent Liabilities and Contingent Assets

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

A12. Capital Commitments

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

	RMB'000
Contracted but not provided for	<u>6,000</u>

A13. Significant Related Party Transactions

The Group has no significant related party transactions during the current financial year to-date.

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

B1. Performance Review

The Group recorded revenue of RMB115 million for the current financial quarter, a decrease of 36.9% as compared to that of the corresponding financial quarter last year.

The decline in revenue was caused by the drop in overall sales volume of 28.0% year-on-year ("YoY") coupled with the drop in average unit selling price by 12.3% YoY. This resulted mainly from reduced customer orders during the current financial quarter as a consequence of the Group's distributors' over-stocking and poor demand amidst the slowdown in PRC's economy.

In view of the above, the gross profit margin has dropped from 29.8% in corresponding financial quarter last year to 21.0% in current financial quarter.

The operating expenses of RMB29.9 million in the current financial quarter was higher than that of RMB18.9 million incurred in the corresponding financial quarter last year, which marked an increase of 58.2%. This was largely due to the allowance for impairment losses provided on trade receivables amounted RMB14.5 million in current financial quarter. Management is of the view that approximately 5% of the total trade receivables shall be allowed for impairment losses given the current trading environment in PRC. Notwithstanding the above, the increase in operating expenses was cushioned by decrease in selling and distribution expenses as a result of dropping in revenue.

Other income has reduced by RMB1.6 million YoY due to the decrease in the interest income as a result of withdrawal of fixed deposit in the preceding financial quarter.

The combined effect from the 36.9% drop in revenue coupled with 58.2% increase in operating expenses resulting a loss before tax for the current financial quarter amounting RMB5.6 million.

B2. Comments on Material Changes in the Profit before Tax

The Group's revenue and overall sales volume for current financial quarter decreased by 36.9% and 28.0% respectively when compared to those of the preceding financial quarter.

With the average unit selling price decreased by 12.3% compared to the preceding financial quarter, the Group is suffering loss before tax of RMB5.6 million as compared to profit before tax of RMB37.4 million in the preceding financial quarter.

B3. Commentary on Prospects

PRC's economy grew an annual 6.7 percent in the second quarter of 2016, the same pace as in the previous quarter (as reported by National Bureau of Statistics of China). PRC government is targeting the economy to grow between 6.5 to 7.0 percent in 2016.

A year earlier, the economy expanded by 6.9 percent, the weakest since 1990. These rates point to the fact that PRC's economy still faces downward pressure. As such, the Group envisaged that the parts replacement market in PRC for commercial vehicles to remain sluggish and challenging in the current financial year.

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.

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

B5. Income Tax Expense

	Current Year Quarter 30.06.2016 RMB'000	Current Year To Date 30.06.2016 RMB'000
Current quarter/year expense:		
PRC income tax	-	2,658
Effective PRC income tax rate	-	50.2%

The Group's effective PRC income tax rate for the current financial quarter and year to date are marginally higher than the applicable PRC's income tax rate of 25% due to the non-deductibility of certain expenses for tax purposes.

B6. Status of Corporate Proposals Announced

On 7 October 2015, the Company entered into an agreement with Siburan Resources Limited for the proposed establishment of a 50:50 joint venture company ["JVC"] to promote, sell, market and distribute the Group's products in Australia and regions outside PRC. The JVC has yet to be incorporated as of 20 August 2016.

Save for the above, there were no corporate proposals announced but not completed as at 20 August 2016.

B7. Borrowings and Debt Securities

The Group has no borrowings and debt securities outstanding as at 30 June 2016.

B8. Changes in Material Litigation

The Group has no material litigations as at 20 August 2016.

B9. Dividends Payable

No dividend has been declared or recommended for the current financial quarter and year to-date.

B10. Earnings per Share

Basic	Current Year Quarter 30.06.2016	Preceding Year Quarter 30.06.2015	Current Year To Date 30.06.2016	Preceding Year To Date 30.06.2015
(Loss)/Profit attributable to ordinary shareholders of the Company (RMB'000)	(5,247)	8,490	2,636	28,255
Weighted average number of ordinary shares in issue ('000)	1,324,146	1,143,157	1,242,867	1,141,587
Basic (loss)/earnings per share (RMB)	(0.004)	0.007	0.002	0.025

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

B10. Earnings per Share (cont'd)

Diluted

The diluted earnings per ordinary share is same as the basic earnings per share as the average market price of the ordinary shares during the current financial quarter was lower than the exercise price of the warrants and accordingly, the effect of the assumed conversion of warrants outstanding will be anti-dilutive effect and the Company has no other dilutive potential ordinary shares in issue as at the end of the current financial quarter.

B11. Profit before Tax

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

	Current Year Quarter 30.06.2016 RMB'000	Current Year To Date 30.06.2016 RMB'000
Allowance for impairment losses on trade receivables	14,495	14,495
Bad debts written off	979	979
Amortisation of land use rights	69	138
Depreciation of property, plant and equipment	1,444	2,945
Gain on disposal of scrap inventories	-	(514)
Interest income	(485)	(882)
Realised (gain)/loss on foreign exchange	(343)	113

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:

	As at 30.06.2016 RMB'000	As at 31.12.2015 RMB'000
Total retained earnings of the Group:		
Realised	304,275	301,639
Unrealised	-	-
	<u>304,275</u>	<u>301,639</u>
Consolidation adjustment	-	-
	<u>304,275</u>	<u>301,639</u>

The above disclosure 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,

Wong Yuet Chyn (Ms)
Company Secretary

30 August 2016

CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)
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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2016

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 RM0.6054 at 30 June 2016. 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

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(UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2016 RM'000	Preceding Year Quarter 30.06.2015 RM'000	Current Year To Date 30.06.2016 RM'000	Preceding Year To Date 30.06.2015 RM'000
Revenue	69,634	110,343	103,099	178,545
Cost of Sales	(55,030)	(77,426)	(78,603)	(126,050)
Gross Profit	14,604	32,917	24,496	52,495
Other Operating Income	294	1,265	845	2,394
Administrative Expenses	(12,705)	(3,499)	(15,262)	(5,822)
Selling and Distribution Expenses	(5,370)	(7,971)	(6,874)	(10,292)
Finance Costs	-	(59)	-	(64)
(Loss)/Profit Before Tax	(3,177)	22,653	3,205	38,711
Tax Expense	-	(17,514)	(1,609)	(21,605)
(Loss)/Profit for the Financial Period	(3,177)	5,139	1,596	17,106
Other Comprehensive Income, Net of Tax				
Item that may be Reclassified Subsequently to Profit or Loss				
Currency Translation Differences	-	-	-	-
(Loss)/Profit and Other Comprehensive (Loss)/Income for the Financial Period	(3,177)	5,139	1,596	17,106
(Loss)/Profit for the Financial Period				
Attributable to:				
Owners of the Company	(3,177)	5,139	1,596	17,106
Non-Controlling Interest	-	-	-	-
	(3,177)	5,139	1,596	17,106
(Loss)/Profit and Other Comprehensive Income for the Financial Period				
Attributable to:-				
Owners of the Company	(3,177)	5,139	1,596	17,106
Non-Controlling Interest	-	-	-	-
	(3,177)	5,139	1,596	17,106
(Loss)/Earnings Per Ordinary Share				
Attributable to Equity Holders of the Company				
Basic (RM)	(0.002)	0.004	0.001	0.015
Diluted (RM)	(0.002)	0.004	0.001	0.015

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.06.2016 RM'000 Unaudited	As at 31.12.2015 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	80,658	82,439
Land Use Rights	7,230	7,313
	87,888	89,752
Current Assets		
Inventories	7,070	6,349
Trade and Non-Trade Receivables	144,545	173,290
Cash and Bank Balances	303,831	261,215
	455,446	440,854
TOTAL ASSETS	543,334	530,606
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	52,307	444,267
Reserves	466,911	61,372
TOTAL EQUITY	519,218	505,639
LIABILITIES		
Current Liabilities		
Trade and Non-Trade Payables	20,319	15,979
Provision for Taxation	3,797	8,988
	24,116	24,967
TOTAL LIABILITIES	24,116	24,967
TOTAL EQUITY AND LIABILITIES	543,334	530,606
Net Assets Per Share (RM)	0.381	0.435

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report.

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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2016

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 Reserve RM'000	Translation Reserve RM'000	Merger Deficit RM'000	Share-based Payment Reserve RM'000	Capital Redemption Reserve RMB'000	Retained Earnings RM'000	
As at 1 January 2016	444,267	-	19,575	1,023	(155,670)	13,832	-	182,612	505,639
Profit for the financial period	-	-	-	-	-	-	-	1,596	1,596
Total comprehensive income	-	-	-	-	-	-	-	1,596	1,596
Transaction with owners:-									
Par Value Reduction	(399,841)	-	-	-	-	-	399,841	-	-
Exercise of ESOS	7,881	4,102	-	-	-	-	-	-	11,983
As at 30 June 2016	52,307	4,102	19,575	1,023	(155,670)	13,832	399,841	184,208	519,218
As at 1 January 2015	227,948	38,181	19,575	1,113	(155,670)	13,832	-	316,806	461,785
Profit for the financial period	-	-	-	-	-	-	-	17,106	17,106
Total comprehensive income	-	-	-	-	-	-	-	17,106	17,106
Transaction with owners:-									
Exercise of warrants	4,264	-	-	-	-	-	-	-	4,264
As at 30 June 2015	232,212	38,181	19,575	1,113	(155,670)	13,832	-	333,912	483,155

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 2015 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 2016

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	Current Year To Date 30.06.2016 RM'000	Preceding Year To Date 30.06.2015 RM'000
Operating activities		
Profit before tax	3,205	38,710
Adjustments for:-		
Allowance for impairment losses on trade receivables	8,775	-
Bad debt written off	593	-
Depreciation for property, plant and equipment	1,783	1,755
Amortisation of land use rights	84	83
Interest income	(534)	(1,721)
Interest expense	-	59
Operating profit before changes in working capital	13,906	38,886
Changes in working capital:		
Inventories	(720)	493
Trade and non-trade receivables	19,376	(45,010)
Trade and non-trade payables	4,340	11,135
Cash generated from operating activities	36,902	5,504
Interest paid	-	(59)
Income tax paid	(6,800)	(11,011)
Net cash from/(used in) operating activities	30,102	(5,566)
Investing activities		
Interest received	534	-
Purchase of property, plant and equipment	(2)	-
Net cash from investing activities	532	-
Financing activities		
Proceeds from exercise of ESOS	11,982	-
Proceeds from issuance of ordinary shares	-	4,264
Drawdown of borrowings	-	4,238
Net cash from financing activities	11,982	8,502
Net changes in cash and cash equivalents	42,616	2,936
Cash and cash equivalents at beginning of financial period	261,215	265,134
Cash and cash equivalents at end of financial period	303,831	268,070

Note:

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

	As at 30.06.2016 RM'000	As at 30.06.2015 RM'000
Cash and bank balances	303,831	183,314
Fixed deposits	-	84,756
	303,831	268,070

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report.