

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 31.03.2017 RMB'000	Preceding Quarter 31.03.2016 RMB'000	Current Year To Date (15 months) 31.03.2017 RMB'000	Preceding Year To Date (15 months) 31.03.2016 RMB'000
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue	-	N/A	-	N/A
Cost of Sales	-	N/A	-	N/A
Gross Profit	-	N/A	-	N/A
Other Operating Income	-	N/A	150	N/A
Administrative Expenses	(1,054,230)	N/A	(1,056,417)	N/A
Selling and Distribution Expenses	-	N/A	-	N/A
Finance Costs	-	N/A	(9)	N/A
(Loss)/Profit Before Tax	(1,054,230)	N/A	(1,056,276)	N/A
Tax Expense	-	N/A	-	N/A
(Loss)/Profit for the Financial Period	(1,054,230)	N/A	(1,056,276)	N/A
Other Comprehensive Income, Net of Tax				
Item that may be Reclassified Subsequently to Profit or Loss				
Currency Translation Differences	-	N/A	-	N/A
(Loss)/Profit and Other Comprehensive (Loss)/Income for the Financial Period	(1,054,230)	N/A	(1,056,276)	N/A
(Loss)/Profit for the Financial Period				
Attributable to:				
Owners of the Company	(1,054,230)	N/A	(1,056,276)	N/A
Non-Controlling Interest	-	N/A	-	N/A
	(1,054,230)	N/A	(1,056,276)	N/A
(Loss)/Profit and Other Comprehensive Income for the Financial Period				
Attributable to:				
Owners of the Company	(1,054,230)	N/A	(1,056,276)	N/A
Non-Controlling Interest	-	N/A	-	N/A
	(1,054,230)	N/A	(1,056,276)	N/A
(Loss)/Earnings Per Ordinary Share				
Attributable to Equity Holders of the Company				
Basic (RMB)	(0.77)	N/A	(0.80)	N/A
Diluted (RMB)	N/A	N/A	N/A	N/A

N/A – Not applicable

Notes:

- (i) The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report
- (ii) The financial year end has been changed from 31 December to 30 June. The audited financial statements shall be for a period of eighteen (18) months from 1 Jan 2016 to 30 June 2017 and thereafter, the financial year shall be 30 June for each subsequent year.
- (iii) In addition, there is no comparative figures available for preceding year period ended 31 March 2016.
- (iv) The results of subsidiary companies is derecognised in the consolidation group accounts during the current financial year due to the loss of control in operations of the respective subsidiaries.

CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)
(Malaysian Foreign Company Registration No. 995377-M)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIFTH QUARTER ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2017 RMB'000 Unaudited	As at 31.12.2015 RMB'000 Audited
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	-	136,173
Land Use Rights	-	12,080
	-	148,253
Current Assets		
Inventories	-	10,488
Trade and Non-Trade Receivables	-	286,240
Cash and Bank Balances	27	431,475
	27	728,203
TOTAL ASSETS	27	876,456
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	86,400	733,841
Reserves	(87,401)	101,375
TOTAL EQUITY	(1,001)	835,216
LIABILITIES		
Current Liabilities		
Trade and Non-Trade Payables	1,028	26,392
Provision for Taxation	-	14,848
	1,028	41,240
TOTAL LIABILITIES	1,028	41,240
TOTAL EQUITY AND LIABILITIES	27	876,456
Net Assets Per Share (RMB)	(0.00002)	0.72

Notes:

- (i) *The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report.*
- (ii) *The financial year end has been changed from 31 December to 30 June. Accordingly, the current financial statements are prepared from 1 January 2016 to 30 June 2017 and as a result no comparative figures stated in the income statement, statement in change of equity and cash flow statements and the related notes are not comparable. The audited financial statements shall be for a period of eighteen (18) months from 1 Jan 2016 to 30 June 2017 and thereafter, the financial year shall be 30 June for each subsequent year.*
- (iii) *The results of subsidiary companies are derecognised in the consolidation group accounts during the current financial year due to the loss of control in operations of the respective subsidiaries.*

CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)
(Malaysian Foreign Company Registration No. 995377-M)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIFTH QUARTER ENDED 31 MARCH 2017

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
Loss for the financial year	-	-	-	-	-	-	-	(1,056,276)	(1,056,276)
Total comprehensive loss	-	-	-	-	-	-	-	(1,056,276)	(1,056,276)
Transaction with owners:-									
Exercise of warrants	-*	3	-	-	-	-	-	-	3
Par Value Reduction	(660,457)	-	-	-	-	-	660,457	-	-
Exercise of Employees Share Option Scheme ("ESOS")	13,016	6,776	-	-	-	-	-	-	19,792
Derecognition of subsidiary companies	-	-	(32,334)	(1,690)	257,135	(22,847)	-	-	200,264
As at 31 March 2017	86,400	6,779	-	-	-	-	660,457	(754,637)	(1,001)
Audited									
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 year	-	-	-	-	-	-	-	65,541	65,541
Other comprehensive income:- Currency translation differences	-	-	-	(148)	-	-	-	-	(148)
Total comprehensive income	-	-	-	(148)	-	-	-	65,541	65,393
Transaction with owners:-									
Exercise of warrants	7,044	-	-	-	-	-	-	-	7,044
Issuance of bonus shares	350,271	(63,068)	-	-	-	-	-	(287,203)	-
As at 31 December 2015	733,841	-	32,334	1,690	(257,135)	22,847	-	301,639	835,216

** Less than RMB1,000*

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.

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date 31.03.2017 RMB'000 Unaudited	Preceding Year To Date 31.03.2016 RMB'000 Unaudited
Operating activities		
(Loss)/Profit before tax	(1,056,276)	N/A
Adjustments for:-		
Allowance for impairment losses on receivables	641,645	N/A
Loss on derecognition of subsidiary companies	412,130	N/A
Reversal of share option granted under ESOS	(343)	N/A
Operating profit before changes in working capital	(2,844)	N/A
Changes in working capital:-		
Trade and non-trade payables	2,728	N/A
Net cash (used in)/generated from operating activities	(116)	N/A
Investing activities		
Derecognition of subsidiaries, net of cash derecognised	(431,336)	N/A
Net cash from investing activities	(431,336)	N/A
Financing activities		
Proceeds from exercise of warrant	4	N/A
Net cash from/(used in) financing activities	4	N/A
Net changes in cash and cash equivalents	(431,448)	N/A
Cash and cash equivalents at beginning of financial period	431,475	N/A
Cash and cash equivalents at end of financial period	27	N/A

Note:

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

	As at 31.03.2017 RMB'000	As at 31.03.2016 RMB'000
Cash and bank balances	27	N/A

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.

The financial year end has been changed from 31 December to 30 June. Accordingly, the current financial statements are prepared from 1 January 2016 to 30 June 2017 and as a result no comparative figures stated in the income statement, statement in change of equity and cash flow statements and the related notes are not comparable.

A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

The interim financial report of China Automobile Parts Holdings Limited (“CAP”) and its subsidiaries (“Group”) is unaudited and has been prepared after derecognised its subsidiaries, namely China Automobile Parts (Hong Kong) Holdings Limited (“CAP HK”) and QuanZhou FenSun Automobile Parts Co, Limited (“FenSun”). The results of subsidiary companies are derecognised in the consolidation group accounts during the current financial year due to the loss of control in operations of the respective subsidiaries.

Subsequent to the financial year ended 31 December 2015, Messrs PKF, its external auditors had discovered the following :-

- (i) various material litigation involving the Group and FenSun and its directors in the People’s Republic of China (“PRC”). These include judgement issued against FenSun and its directors on 11 July 2016 and 21 November 2016 by People’s Court of Jinjiang City in Fujian on outstanding borrowings, inclusive of interest, at an estimated sum of RMB52.8 million owing to the Agricultural Bank of China (“ABOC”). The case was referred to the Fujian Higher People’s Court and judgement was obtained on 1 November 2016, reinforcing the earlier judgement by the People’s Court of Jinjiang City in Fujian;
- (ii) various other litigation involving FenSun, whether at trial or enforcement stage, carrying potential liabilities amounting up to a sum not less than RM263.0 million (including the sum owed to ABOC as stated in (i) above owing to various parties; and
- (iii) the financial institution has exercised its security on bank credit facilities granted to FenSun and placed under auction, the Group’s building and land use rights on 31 March 2017, with carrying values of RMB129.2 million and RMB12.08 million respectively. The building represents FenSun’s primary factory, warehouse, staff quarters and administration office.

The Directors are unable to determine and work out any plan on how the operations of the Group will continue in view of the auction.

In view of the occurrence of events stated in Section (i) to (iii), it indicates that CAP ceased to have a controlling financial interest on FenSun and CAP HK due to FenSun’s default of bank borrowings owed to several financial institutions. Hence, CAP has derecognised the financial results of of both CAP HK and FenSun during the current financial year.

On 26 April 2017, CAP announced that the change of financial year end from 31 December to 30 June. Accordingly, the current financial statements are prepared from 1 January 2016 to 30 June 2017 and as a result no comparative figures stated in the income statement, statement in change of equity and cash flow statements and the related notes are not comparable.

On 11 January 2018 (“Trigger Date”), CAP was classified as an Affected Listed Issuer pursuant to paragraph 2.1(d) of Practice Note 17 (“PN17”) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”), as based on the re-issued audited consolidated financial statements for the financial year ended (“FYE”) 31 December 2015 (“AFS 2015”), the auditors have expressed a disclaimer of opinion in the AFS 2015.

Pursuant to PN17 of the Listing Requirements, the Company is required to, amongst others, regularise its condition and submit a regularisation plan to the relevant authorities for their approval by 10 January 2019, i.e. 12 months from the Trigger Date. Bursa Securities had granted CAP extension of time from 11 January 2019 to 10 July 2020 to submit its regularisation plan to the regulatory authorities via its letters of approval dated 15 February 2019, 8 August 2019 and 4 March 2020.

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 interim financial report is also prepared on the going concern basis.

Bursa Securities vide its letter dated 15 June 2017 exercised its power pursuant to paragraph 2.24 of the Main LR, directed CAP to have its Quarterly Report for financial period ended (“FPE”) 31 March 2017 reviewed by its external auditors.

The interim financial information for the fifteen (15) months' period ended 31 March 2017 has been reviewed by the Company's auditors in accordance with International Standards on Review Engagement 2410- Review of Interim Financial Information by the Independent Auditor of the Company.

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.

A2. Auditors' Report on Preceding Annual Financial Statements

On 26 May 2017, Bursa Securities announced that PKF had informed Bursa Securities on the non-reliance of the auditor's report for the AFS 2015. The said letter, mentioned among others, *"there were significant unreported borrowings and material litigation during FenSun Automobile Parts Co, Limited ("**FenSun**")'s financial year ended 31 December 2015"* and *"As the financial effects of these undisclosed events have therefore not been determined and accounted for by the Directors in the Company's financial statements for the FYE 2015, the financial statements of the Company for the FYE 2015, and in respect of which our auditor's report dated 6 April 2016 was issued, do not give a true and fair view..."*.

On 9 June 2017, Bursa Securities issued a directive to CAP to make an immediate announcement on the judicial auction on the buildings and land use rights owned by FenSun ("**Judicial Auction**"), a main subsidiary of CAP.

On 11 January 2018, CAP submitted its re-issued AFS 2015 with a disclaimer of opinion from PKF and on the same date, CAP announced it had triggered Paragraph 2.1(d) of PN17 of the Listing Requirements and it shall be classified as PN 17 company.

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, except for the following:-

Messrs PKF, its external auditors had discovered the following :-

- (i) various material litigation involving the Group and FenSun and its directors in the People's Republic of China ("**PRC**"). These include judgement issued against FenSun and its directors on 11 July 2016 and 21 November 2016 by People's Court of Jinjiang City in Fujian on outstanding borrowings, inclusive of interest, at an estimated sum of RMB52.8 million owing to the Agricultural Bank of China ("**ABOC**"). The case was referred to the Fujian Higher People's Court and judgement was obtained on 1 November 2016, reinforcing the earlier judgement by the People's Court of Jinjiang City in Fujian;
- (ii) various other litigation involving FenSun, whether at trial or enforcement stage, carrying potential liabilities amounting up to a sum not less than RM263.0 million (including the sum owed to ABOC as stated in (i) above owing to various parties; and
- (iii) the financial institution has exercised its security on bank credit facilities granted to FenSun and placed under auction, the Group's building and land use rights on 31 March 2017, with carrying values of RMB129.2 million and RMB12.08 million respectively. The building represent FenSun's primary factory, warehouse, staff quarters and administration office.

However, there were no source records and information forthcoming from the subsidiaries concerning these sales tax issues, bank confirmation and material litigations.

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.

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.

On 20 December 2016 and 23 December 2016, the Company issued 1,900 and 4,750 new ordinary shares of USD0.01 each on the exercise of warrants pursuant to the Deed Poll of 13 December 2013.

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 31.03.2017 RMB'000	Preceding Year Quarter 31.03.2016 RMB'000	Current Year To Date 31.03.2017 RMB'000	Preceding Year To Date 31.03.2016 RMB'000
Revenue				
Manufacturing	-	N/A	-	N/A
Trading	-	N/A	-	N/A
	<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>
Gross Profit				
Manufacturing	-	N/A	-	N/A
Trading	-	N/A	-	N/A
	<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>

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. During the current financial year, CAP ceased to have a controlling financial interest on FenSun and CAP HK due to FenSun's default of bank borrowings owed to several financial institutions. Hence, CAP has derecognised the financial results of both FenSun and CAP HK during the current financial year.

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, except for the following:-

On 26 May 2017, Bursa Securities announced that PKF had informed Bursa Securities on the non-reliance of the auditor's report for the AFS 2015. The said letter, mentioned among others, "*there were significant unreported borrowings and material litigation during FenSun Automobile Parts Co, Limited ("**FenSun**")'s financial year ended 31 December 2015*" and "*As the financial effects of these undisclosed events have therefore not been determined and accounted for by the Directors in the Company's financial statements for the FYE 2015, the financial statements of the Company for the FYE 2015, and in respect of which our auditor's report dated 6 April 2016 was issued, do not give a true and fair view...*".

On 9 June 2017, Bursa Securities issued a directive to CAP to make an immediate announcement on the judicial auction on the buildings and land use rights owned by FenSun ("**Judicial Auction**"), a main subsidiary of CAP.

On 11 January 2018, CAP submitted its re-issued AFS 2015 with a disclaimer of opinion from PKF and on the same date, CAP announced it had triggered Paragraph 2.1(d) of PN17 of the Listing Requirements and it shall be classified as PN 17 company.

A10. Changes in the Composition of the Group

On 31 March 2017, CAP ceased to have a controlling financial interest on FenSun and CAP HK due to FenSun's default of bank borrowings owed to several financial institutions. Hence, CAP has derecognised the financial results of both FenSun and CAP HK during the current financial year.

A11. Changes in Contingent Liabilities and Contingent Assets

Messrs PKF, its external auditors had discovered the following :-

- (i) various material litigation involving the Group and FenSun and its directors in the People's Republic of China ("**PRC**"). These include judgement issued against FenSun and its directors on 11 July 2016 and 21 November 2016 by People's Court of Jinjiang City in Fujian on outstanding borrowings, inclusive of interest, at an estimated sum of RMB52.8 million owing to the Agricultural Bank of China ("**ABOC**"). The case was referred to the Fujian Higher People's Court and judgement was obtained on 1 November 2016, reinforcing the earlier judgement by the People's Court of Jinjiang City in Fujian;
- (ii) various other litigation involving FenSun, whether at trial or enforcement stage, carrying potential liabilities amounting up to a sum not less than RM263.0 million (including the sum owed to ABOC as stated in (i) above owing to various parties; and
- (iii) the financial institution has exercised its security on bank credit facilities granted to FenSun and placed under auction, the Group's building and land use rights on 31 March 2017, with carrying values of RMB129.2 million and RMB12.08 million respectively. The building represent FenSun's primary factory, warehouse, staff quarters and administration office.

The above information was collaborated by the Independent solicitors engaged by PKF, which indicated there were significant unreported borrowings and material litigations as at 31 March 2017.

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>-</u>

A13. Significant Related Party Transactions

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

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

B1. Performance Review

During the current financial year, CAP ceased to have a controlling financial interest on FenSun and CAP HK due to FenSun's default of bank borrowings owed to several financial institutions. Hence, CAP has derecognised the financial results of both FenSun and CAP HK during the current financial year.

The Group has no revenue for the current financial quarter due to the derecognition of the financial results of FenSun and CAP HK.

Following the deconsolidation, the financial results of subsidiary companies are excluded in the consolidation group accounts due to the loss of control in operations of the respective subsidiaries. CAP has provided full impairment on its investments in CAPHK and FenSun and amount due from the two subsidiary companies.

B2. Comments on Material Changes in the Profit before Tax

The Group has no revenue recorded for the year to date financial period, coupled with tremendous increase of impairment losses on receivables and loss on derecognition of its subsidiary companies.

Following the derecognition of its subsidiary companies, the financial results of subsidiary companies are excluded in the consolidation group accounts due to the loss of control in operations of the respective subsidiaries. CAP has provided for the impairment loss on derecognition of its subsidiary companies and amount due from the two subsidiary companies. Hence, the Group is suffering loss before tax of RMB1,056.3 million.

B3. Commentary on Prospects

During the current financial year, CAP ceased to have a controlling financial interest on FenSun and CAP HK due to FenSun's default of bank borrowings owed to several financial institutions. Hence, CAP has derecognised the financial results of both FenSun and CAP HK during the current financial year.

Going forward, CAP shall cease to have any business operations with effect from 31 March 2017.

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

	Current Year Quarter 31.03.2017 RMB'000	Current Year To Date 31.03.2017 RMB'000
Current quarter/year expense:		
PRC income tax	-	-
Effective PRC income tax rate	- %	- %

The Group's effective PRC income tax rate for the year to date is not reflective given the loss position of the Group.

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

B5 Income Tax Expense

	Current Year Quarter 31.03.2017 RMB'000	Current Year To Date 31.03.2017 RMB'000
Current quarter/year expense:		
PRC income tax	-	-
Effective PRC income tax rate	- %	- %

The Group's effective PRC income tax rate for the year to date is not reflective given the loss position of the Group.

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 21 February 2017.

Save for the above, there were no corporate proposals announced but not completed as at 31 March 2017.

B7. Borrowings and Debt Securities

Messrs PKF, its external auditors had discovered the following :-

- (iv) various material litigation involving the Group and FenSun and its directors in the People's Republic of China ("PRC"). These include judgement issued against FenSun and its directors on 11 July 2016 and 21 November 2016 by People's Court of Jinjiang City in Fujian on outstanding borrowings, inclusive of interest, at an estimated sum of RMB52.8 million owing to the Agricultural Bank of China ("ABOC"). The case was referred to the Fujian Higher People's Court and judgement was obtained on 1 November 2016, reinforcing the earlier judgement by the People's Court of Jinjiang City in Fujian;
- (v) various other litigation involving FenSun, whether at trial or enforcement stage, carrying potential liabilities amounting up to a sum not less than RM263.0 million (including the sum owed to ABOC as stated in (i) above owing to various parties; and
- (vi) the financial institution has exercised its security on bank credit facilities granted to FenSun and placed under auction, the Group's building and land use rights on 31 March 2017, with carrying values of RMB129.2 million and RMB12.08 million respectively. The building represents FenSun's primary factory, warehouse, staff quarters and administration office.

The above information was collaborated by the Independent solicitors engaged by PKF, which indicated there were significant unreported borrowings and material litigations as at 31 March 2017.

B8. Changes in Material Litigation

Messrs PKF, its external auditors had discovered the following :-

- (i) various material litigation involving the Group and FenSun and its directors in the People's Republic of China ("PRC"). These include judgement issued against FenSun and its directors on 11 July 2016 and 21 November 2016 by People's Court of Jinjiang City in Fujian on outstanding borrowings, inclusive of interest, at an estimated sum of RMB52.8 million owing to the Agricultural Bank of China ("ABOC"). The case was referred to the Fujian Higher People's Court and judgement was obtained on 1 November 2016, reinforcing the earlier judgement by the People's Court of Jinjiang City in Fujian;

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

- (ii) various other litigation involving FenSun, whether at trial or enforcement stage, carrying potential liabilities amounting up to a sum not less than RM263.0 million (including the sum owed to ABOC as stated in (i) above owing to various parties; and
- (iii) the financial institution has exercised its security on bank credit facilities granted to FenSun and placed under auction, the Group's building and land use rights on 31 March 2017, with carrying values of RMB129.2 million and RMB12.08 million respectively. The building represent FenSun's primary factory, warehouse, staff quarters and administration office.

The above information was collaborated by the Independent solicitors engaged by PKF, which indicated there were significant unreported borrowings and material litigations as at 31 March 2017.

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 31.03.2017	Preceding Year Quarter 31.03.2016	Current Year To Date 31.03.2017	Preceding Year To Date 31.03.2016
(Loss)/Profit attributable to ordinary shareholders of the Company (RMB'000)	<u>(1,054,230)</u>	<u>N/A</u>	<u>(1,056,276)</u>	<u>N/A</u>
Weighted average number of ordinary shares in issue (*000)	<u>1,361,968</u>	<u>N/A</u>	<u>1,314,430</u>	<u>N/A</u>
Basic (loss)/earnings per share (RMB)	<u>(0.77)</u>	<u>N/A</u>	<u>(0.80)</u>	<u>N/A</u>

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. (Loss)/Profit before Tax

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

	Current Year Quarter 31.03.2017 RMB'000	Current Year To Date 31.03.2017 RMB'000
Impairment losses on receivables	641,645	641,645
Loss on derecognition of subsidiary companies	412,130	412,130
Reversal of share option granted under ESOS	<u>(343)</u>	<u>(343)</u>

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

B12 Authorisation for Issue

The interim financial statements were approved and authorised for issued by the Board of Directors in accordance in accordance with a resolution of the Directors on 30 April 2020.

By Order of the Board,



Wang Yu Yun (Ms)
Executive Chairperson

30 April 2020

**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 RM0.6415 at 31 March 2017. 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 FIFTH QUARTER ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.03.2017 RM'000 Unaudited	Preceding Year Quarter 31.03.2016 RM'000 Unaudited	Current Year To Date (15 months) 31.03.2017 RM'000 Unaudited	Preceding Year To Date (15 months) 31.03.2016 RM'000 Unaudited
Revenue	-	N/A	-	N/A
Cost of Sales	-	N/A	-	N/A
Gross Profit	-	N/A	-	N/A
Other Operating Income	-	N/A	96	N/A
Administrative Expenses	(676,288)	N/A	(677,691)	N/A
Selling and Distribution Expenses	-	N/A	-	N/A
Finance Costs	-	N/A	(6)	N/A
(Loss)/Profit Before Tax	(676,288)	N/A	(677,601)	N/A
Tax Expense	-	N/A	-	N/A
(Loss)/Profit for the Financial Period	(676,288)	N/A	(677,601)	N/A
Other Comprehensive Income, Net of Tax				
Item that may be Reclassified Subsequently to Profit or Loss				
Currency Translation Differences	-	N/A	-	N/A
(Loss)/Profit and Other Comprehensive (Loss)/Income for the Financial Period	(676,288)	N/A	(677,601)	N/A
(Loss)/Profit for the Financial Period				
Attributable to:				
Owners of the Company	(676,288)	N/A	(677,601)	N/A
Non-Controlling Interest	-	N/A	-	N/A
	(676,288)	N/A	(677,601)	N/A
(Loss)/Profit and Other Comprehensive Income for the Financial Period				
Attributable to:-				
Owners of the Company	(676,288)	N/A	(677,601)	N/A
Non-Controlling Interest	-	N/A	-	N/A
	(676,288)	N/A	(677,601)	N/A
(Loss)/Earnings Per Ordinary Share				
Attributable to Equity Holders of the Company				
Basic (RM)	(0.50)	N/A	(0.52)	N/A
Diluted (RM)	N/A	N/A	N/A	N/A

N/A – Not Applicable

Notes:

- (i) The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statement for the year ended 31 December 2015 and the accompanying explanatory notes attached to this interim financial report
- (ii) The financial year end has been changed from 31 December to 30 June. The next audited financial statements shall be for a period of eighteen (18) months from 1 Jan 2016 to 30 June 2017 and thereafter, the financial year shall be 30 June for each subsequent year.
- (iii) In addition, there is no comparative figures available for preceding year period ended 31 March 2016
- (iv) The results of subsidiary companies is derecognised in the consolidation group accounts during the current financial year due to the loss of control in operations of the respective subsidiaries.

CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)
(Malaysian Foreign Company Registration No. 995377-M)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FIFTH QUARTER ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2017 RM'000 Unaudited	As at 31.12.2015 RM'000 Audited
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	-	87,355
Land Use Rights	-	7,749
	-	95,104
Current Assets		
Inventories	-	6,728
Trade and Non-Trade Receivables	-	183,623
Cash and Bank Balances	17	276,791
	17	467,142
TOTAL ASSETS	17	562,246
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	55,426	470,759
Reserves	(56,068)	65,032
TOTAL EQUITY	(642)	535,791
LIABILITIES		
Current Liabilities		
Trade and Non-Trade Payables	659	16,930
Provision for Taxation	-	9,525
	659	26,455
TOTAL LIABILITIES	17	26,455
TOTAL EQUITY AND LIABILITIES	17	562,246
Net Assets Per Share (RM)	(0.0005)	0.48

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 FIFTH QUARTER ENDED 31 MARCH 2017

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	470,759	-	20,742	1,084	(164,952)	14,656	-	193,501	535,790
Loss for the financial period	-	-	-	-	-	-	-	(677,601)	(677,601)
Total comprehensive loss	-	-	-	-	-	-	-	(677,601)	(677,601)
Transaction with owners:-									
Exercise of warrants	-*	2	-	-	-	-	-	-	2
Par Value Reduction	(423,683)	-	-	-	-	-	423,683	-	-
Exercise of ESOS	8,350	4,347	-	-	-	-	-	-	12,697
Derecognition of subsidiary companies	-	-	(20,742)	(1,084)	164,952	(14,656)	-	-	128,470
As at 31 March 2017	55,426	4,349	-	-	-	-	423,683	(484,100)	(642)
Audited									
As at 1 January 2015	241,541	40,458	20,742	1,179	(164,952)	14,656	-	335,698	489,322
Profit for the financial year	-	-	-	-	-	-	-	42,044	42,044
Other comprehensive income:-									
Currency translation differences	-	-	-	(95)	-	-	-	-	(95)
Total comprehensive income	-	-	-	(95)	-	-	-	42,044	41,949
Transaction with owners:-									
Exercise of warrants	4,519	-	-	-	-	-	-	-	4,519
Issuance of bonus shares	224,699	(40,458)	-	-	-	-	-	(184,241)	-
As at 31 December 2015	470,759	-	20,742	1,084	(164,952)	14,656	-	193,501	535,790

* Less than RM1,000

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 FIFTH QUARTER ENDED 31 MARCH 2017

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date 31.03.2017 RM'000 Unaudited	Preceding Year To Date 31.03.2016 RM'000 Unaudited
Operating activities		
(Loss)/Profit before tax	(677,601)	N/A
Adjustments for:-		
Allowance for impairment losses on receivables	411,615	N/A
Impairment loss on investment in subsidiary companies	264,381	N/A
Reversal of share option granted under ESOS	(220)	N/A
Operating profit before changes in working capital	(1,825)	N/A
Changes in working capital:		
Trade and non-trade payables	1,751	N/A
Net cash (used in)/from operating activities	(74)	N/A
Investing activities		
Derecognition of subsidiaries, net of cash derecognised	(276,702)	N/A
Net cash from investing activities	(276,702)	N/A
Financing activities		
Proceeds from exercise of warrant	2	N/A
Net cash from/(used in) financing activities	2	N/A
Net changes in cash and cash equivalents	(276,774)	N/A
Cash and cash equivalents at beginning of financial period	276,791	N/A
Cash and cash equivalents at end of financial period	17	N/A
Note:		
1. Cash and cash equivalents at the end of the financial period comprise the following:-		
	As at 31.03.2017 RM'000	As at 31.03.2016 RM'000
Cash and bank balances	17	N/A

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.