

CHINA AUTOMOBILE PARTS HOLDINGS LIMITED (Bermuda Company No. 46416)
(Malaysian Foreign Company Registration No. 995377-M)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER
2022

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter 30.09.2022 RM'000 Unaudited	Preceding Quarter 30.09.2021 RM'000 Unaudited	Current Year To Date 30.09.2022 RM'000 Unaudited	Preceding Year To Date 30.09.2021 RM'000 Unaudited
Revenue	-	-	-	-
Cost of Sales	-	-	-	-
Gross Profit	-	-	-	-
Other Operating Income	-	-	-	-
Administrative Expenses	(597)	(85)	(597)	(85)
Selling and Distribution Expenses	-	-	-	-
Overprovision of previous year expenses	1,383	-	1,383	-
Finance Costs	-	-	-	-
Profit/ (Loss) Before Taxation	786	(85)	786	(85)
Taxation	-	-	-	-
Profit/ (Loss) for the Financial Period	786	(85)	786	(85)
Other Comprehensive Income, Net of Tax Item that may be Reclassified Subsequently to Profit or Loss				
Profit and Other Comprehensive Income for the Financial Period	<u>786</u>	<u>(85)</u>	<u>786</u>	<u>(85)</u>
Profit for the Financial Period Attributable to:				
Owners of the Company	786	(85)	786	(85)
Non-Controlling Interest	-	-	-	-
	<u>786</u>	<u>(85)</u>	<u>786</u>	<u>(85)</u>
Profit and Other Comprehensive Income for the Financial Period Attributable to:				
Owners of the Company	786	(85)	786	(85)
Non-Controlling Interest	-	-	-	-
	<u>786</u>	<u>(85)</u>	<u>786</u>	<u>(85)</u>
Profit Per Ordinary Share Attributable to Equity Holders of the Company				
Basic (RM)	0.0006	(0.0001)	0.0006	(0.0001)
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 30 June 2022 and the accompanying explanatory notes attached to this interim financial report*

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2022

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.09.2022 RM'000 Unaudited	As at 30.06.2022 RM'000 Audited
ASSETS		
Current Asset		
Cash and Bank Balances	20	20
	20	20
TOTAL ASSET	<u>20</u>	<u>20</u>
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	61,358	61,358
Reserves	(65,202)	(65,988)
TOTAL EQUITY	<u>(3,844)</u>	<u>(4,630)</u>
LIABILITY		
Current Liability		
Trade and Non-Trade Payables	3,864	4,650
	3,864	4,650
TOTAL LIABILITY	<u>3,864</u>	<u>4,650</u>
TOTAL EQUITY AND LIABILITY	<u>20</u>	<u>20</u>
Net Asset Per Share	<u>(0.0028)</u>	<u>(0.0034)</u>

Notes:

- (i) *The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statement for the year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.*

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2022**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited	Share Capital RM'000	Non-Distributable Capital Redemption Reserve RM'000	Distributable Accumulated Losses RM'000	Total Equity RM'000
As at 1 July 2022	61,358	434,911	(500,899)	(4,630)
Profit for the financial period	-	-	786	786
Total comprehensive income	-	-	786	786
As at 30 September 2022	61,358	434,911	(500,113)	(3,844)
Unaudited				
As at 1 July 2021	60,372	427,910	(490,347)	(2,065)
Loss for the financial period	-	-	(85)	(85)
Total comprehensive income	-	-	(85)	(85)
As at 30 September 2021	60,372	427,910	(490,432)	(2,150)

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 June 2022 and the accompanying explanatory notes attached to this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year To Date 30.09.2022 RM'000 Unaudited	Preceding Year To Date 30.09.2021 RM'000 Unaudited
Cash Flows from Operating Activity		
Profit/ (Loss) before taxation	786	(85)
(Decrease)/Increase in payables	(786)	84
Net cash used in operating activity	-	(1)
Cash Flows from Investing Activity		
Net cash generated from investing activity	-	-
Cash Flows from Financing Activity		
Net cash generated from financing activity	-	-
Net decrease in cash and cash equivalents	-	(1)
Cash and cash equivalents as at beginning of financial period	20	21
Cash and cash equivalents as at end of financial period	20	20

Note:

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

	As at 30.09.2022 RM'000	As at 30.09.2021 RM'000
Cash and bank balances	20	20

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial period ended 30 June 2022 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 statements are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards ("MFRSs") No. 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Main LR") and should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the financial year ended 30 June 2022. These explanatory notes attached to the interim financial statements 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 30 June 2022.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the financial statements for the financial year ended 30 June 2022.

On 11 January 2018 ("Trigger Date"), China Automobile Parts Holdings Limited ("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") ("Main LR"), 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 with eight (8) extension of time ("EOT") from 11 January 2019 to 10 July 2022 to submit its regularisation plan to the regulatory authorities vide its letter dated 15 February 2019, 8 August 2019, 4 March 2020, 17 August 2020, 17 February 2021, 13 August 2021, 10 March 2022 and 11 August 2022.

On 30 September 2022, CAP submitted an EOT to 31 January 2023 for submission of regularisation plan to the relevant authorities, which was rejected by Bursa Securities vide its letter dated 10 November 2022.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 30 June 2022 contained disclaimer of opinion.

The Independent Auditors have expressed a basis for disclaimer of opinion section in respect of deconsolidation of subsidiaries, assertion concerning opening balances, insufficient documentary evidence pertaining to current year's transactions and material uncertainty relating to going concern. Because of the significance of above matters, the Independent Auditors have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

A3. Seasonality or Cyclicity of Operations

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the current financial quarter.

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 prior financial year that have a material impact on the current financial year-to-date.

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 year to-date.

A7. Dividends Paid

There were no payments of dividends during the current financial quarter and year to-date.

A8. Segmental Information

As the Group has no operations, thus, segmental information reporting is not relevant in the context of the Group.

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:-

Date	Event
5 May 2022	The Board announced the resignation of Madam Wang Yuyun as Executive Chairman of the Company
20 May 2022	The Board of Directors announced the acceptance of resignation of Messrs. CAS Malaysia PLT (“CAS”) as Auditors of the Company.
27 May 2022	CAP released QR for FPE 31 March 2022 to Bursa Securities.
22 June 2022	The Board of Directors announced that the Company received a letter of consent to act as Auditors of the Company dated 17 June 2022 from Messrs. Russell Bedford LC PLT.
1 July 2022	CAP announced that the Company has changed its registered address from Level 2, Tower 1, Avenue 5, Bangsar South City, 59200, Kuala Lumpur to Level 5, Tower 8, Avenue 5, Horizon 2, Bangsar South City, 59200 Kuala Lumpur.
12 August 2022	On behalf of the Board, Mercury Securities announced that Bursa Securities had, vide its letter dated 11 August 2022, decided to grant the Company a further extension of time (“EOT”) of up to 30 September 2022 to submit its regularisation plan to the regulatory authorities.
30 August 2022	CAP released QR for FPE 30 June 2022 to Bursa Securities.
30 September 2022	The Board announced that the Company has made another application to Bursa Securities seeking approval for a further EOT of 4 months up to 31 January 2023 to submit the regularisation plan to regularise the financial condition of the Company.
25 October 2022	The Board announced that the Company has executed a deed of termination with the Vendors to terminate the MOU dated 28 January 2022 with immediate effect.
26 October 2022	The Board announced that the Company and Mercury Securities have on 26 October 2022 agreed to mutually terminate the agreement in relation to the appointment of Mercury Securities as the Principal Adviser and Placement Agent of the Company for the Proposed Regularisation Plan.
31 October 2022	The Company issued its Annual Report for FYE 2022 to Bursa Securities
10 November 2022	Bursa Securities rejected CAP’s application for further EOT to 31 January 2023 as it reckoned that the Company had failed to submit the regularisation plan to the Securities Commission (“SC”) .
16 November 2022	CAP submitted its Appeal to Bursa Securities for further EOT to 30 June 2023

A10. Changes in the Composition of the Group

There was no change in the composition of the Group during the current financial period to date.

A11 Capital Commitments

No material capital commitments as at 30 September 2022.

A12 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

	Individual Period (1st Quarter)			Cumulative Period		
	Current Year Quarter 30.09.2022 RM'000	Preceding Year Quarter 30.09.2021 RM'000	Changes %	Current Year To date 30.09.2022 RM'000	Preceding Year To date 30.09.2021 RM'000	Changes %
Revenue	-	-	-	-	-	-
Profit/ (Loss) Before Interest and Tax	786	(85)	> 100%	786	(85)	> 100%
Profit/ (Loss) Before Tax	786	(85)	> 100%	786	(85)	> 100%
Profit/ (Loss) After Tax	786	(85)	> 100%	786	(85)	> 100%
Profit/ (Loss) Attributable to Ordinary Equity Holders of Parent	786	(85)	> 100%	786	(85)	> 100%

The Group has no revenue recorded for the current financial period and preceding financial period.

For the first financial quarter under review, the Group recorded a pre-tax profit of RM 786,000 as compared to a pre-tax loss of RM 85,000 in the corresponding period last year mainly due to reversal of overprovision of regularisation plan expenses during the current financial quarter.

B2. Comments on Material Changes in the Profit before Tax

	Current Quarter 30.09.2022 RM'000	Immediate Preceding Quarter 30.06.2022 RM'000	Changes %
Revenue	-	-	-
Profit/ (Loss) Before Interest and Tax	786	(1,993)	> 100%
Profit/ (Loss) Before Tax	786	(1,993)	> 100%
Profit/ (Loss) After Tax	786	(1,993)	> 100%
Profit/ (Loss) Attributable to Ordinary Equity Holders of Parent	786	(1,993)	> 100%

The Group has no revenue recorded for both the current and immediate preceding financial quarters.

For the quarter ended 30 September 2022, the Group recorded a pre-tax profit of RM 786,000 as compared to a pre-tax loss of RM1,993,000 in the previous quarter ended 30 June 2022, mainly due to reversal of overprovision of regularisation plan expenses during the current financial quarter.

B3. Commentary on Prospects

On 10 November 2022, Bursa Securities vide its letter *Ref: CSG/LD/MAIN/ONL-30092022-00005*) informed CAP that it had failed to regularise its condition in accordance with paragraph 8.04(3)(a) of the Main Market Listing Requirements (“**Main LR**”) where the Company has failed to submit its regularisation plan to the SC or Bursa Securities for approval within the stipulated timeframe and the Company’s application for a further extension of time until 31 January 2023.

Bursa Securities opined that the Company has not demonstrated to the satisfaction of Bursa Securities any material development towards the finalisation and submission of the regularisation plan to the regulatory authorities.

In the circumstances and pursuant to paragraph 8.04(5) of the Main LR, Bursa Securities has informed that:-

- (i) the trading in the securities of CAP will be suspended with effect from 18 November 2022; and
- (ii) the securities of the Company will be de-listed on 22 November 2022 unless an appeal against the de-listing is submitted to Bursa Securities on or before 17 November 2022 (“**the Appeal Timeframe**”). Any appeal submitted after the Appeal Timeframe will not be considered by Bursa Securities.

In the event the Company submits an appeal to Bursa Securities within the Appeal Timeframe, the de-listing of the securities of the Company from the Official List of Bursa Securities on 22 November 2022 will be deferred pending the decision on the Company’s appeal. However, Bursa Securities shall proceed to suspend the trading of the Company’s securities on 18 November 2022 even though the decision on the Company’s appeal is still pending.

On behalf of CAP, Sierac Corporate Advisers Sdn Bhd had on 16 November 2022 submitted an appeal to Bursa Securities (“**Appeal**”) on the following:-

- (i) against its decision to commence de-listing procedures on the securities of the Company; and
- (ii) to reconsider its rejection of the extension of time application and to grant a further extension of time from 1 October 2022 to 30 June 2023 for CAP to submit the proposed regularisation plan to the regulatory authorities.

The Appeal is currently pending deliberation by Bursa Securities.

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 30.09.2022 RM'000	Current Year To Date 30.09.2022 RM'000
Current quarter/year expense:		
Income tax	-	-
Effective income tax rate	- %	- %

B6. Status of Corporate Proposals Announced

There were no corporate proposals announced but not completed as at 30 September 2022, except for the Proposed Regularisation Plan.

B7. Dividends Payable

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

B8. Profit/ (Loss) per Share

Basic	Current Year Quarter 30.09.2022	Preceding Year Quarter 30.09.2021	Current Year To Date 30.09.2022	Preceding Year To Date 30.09.2021
Profit/ (Loss) attributable to ordinary shareholders of the Company (RM'000)	786	(85)	786	(85)
Weighted average number of ordinary shares in issue ('000)	1,361,970	1,361,970	1,361,970	1,361,970
Basic profit/ (loss) per share (RM)	0.0006	(0.0001)	0.0006	(0.0001)

Diluted

The Company has no other dilutive potential ordinary shares in issue as at the end of the current financial quarter.

B9. Profit/ (Loss) before Tax

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

	Current Year Quarter 30.09.2022 RM'000	Preceding Year Quarter 30.09.2021 RM'000	Current Year To Date 30.09.2022 RM'000	Preceding Year To Date 30.09.2021 RM'000
Other income	-	-	-	-

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 November 2022.

By Order of the Board,

Chong Ken Kyung
Executive Director

Date: 30 November 2022