



China Automobile Parts Holdings Limited

中国汽车零件控股有限公司

(Bermuda Company No. 46416)

(Malaysian Foreign Company Registration No. 995377-M)



Management Presentation 2012

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Offer Structure

Listing	Main Market of Bursa Malaysia
Enlarged Share Capital Upon Listing	600,000,000 shares
IPO Price	RM0.68
Market Capitalisation	RM408.0 million

Public Issue	Shares ('000)	% of Enlarged Share Capital
Malaysian Public	30,000	5%
Private Placement	60,000	10%
Total	90,000	15%

Offer For Sale (up to)	Shares ('000)	% of Enlarged Share Capital
Private Placement (up to)	60,000	10%

Utilisation of Proceeds

	Expected timeframe for utilisation upon Listing	RM '000
Part finance expansion of production centre (warehouse, production floors and office building)	within 15 months	25,000
Acquire machinery and equipment to increase capacity for the production of u-bolts, wheel axles and steel pins	within 18 months	6,100
Marketing and branding campaign primarily in China	within 12 months	6,000
Estimated listing expenses	Immediate	7,200
Working capital for day-to-day operations	On-going	16,900

Investment Highlights

Key Facts

- Diverse portfolio of quality aftermarket (replacement) components with 5 different automobile chassis parts
- Extensive distribution network of 19 authorised distributors spanning across 17 provinces and municipalities in China, and 8 trading houses for export to South East Asia, the Middle East and South Africa
- 3 proprietary trademarks with strong brand recognition
- Recognised as one of the 'Top 10 Brands With the Largest Potential' in 2011 and awarded the 'Top 10 National Brands of China's Auto Parts Industry' in 2012
- Promising industry prospects due to continued growth in new commercial automobile annual sales volumes over past several years – indicating demand for aftermarket components will grow correspondingly in coming years
- Truck chassis part aftermarket expected to grow positively at a CAGR of 5.0% to 10.0% from 2011 to 2014, with a forecasted market size of between USD6.5 billion to USD10.6 billion by 2014

Financial Summary

- Revenue of RM287.1 million in FYE 2011 with robust growth of CAGR 27.4% from 2009 to 2011
- EBITDA of RM85.7 million and PAT of RM62.9 million in FYE 2011, with a steady growth of CAGR 21.5% and 15.2% respectively from 2009 to 2011
- Healthy financial position with cash balance of RM96.3 million and low borrowings of RM11.2 million as at 30 September 2012
- Stable GP & PAT margin of around 30% and 20% respectively during expansion

Dividend Policy

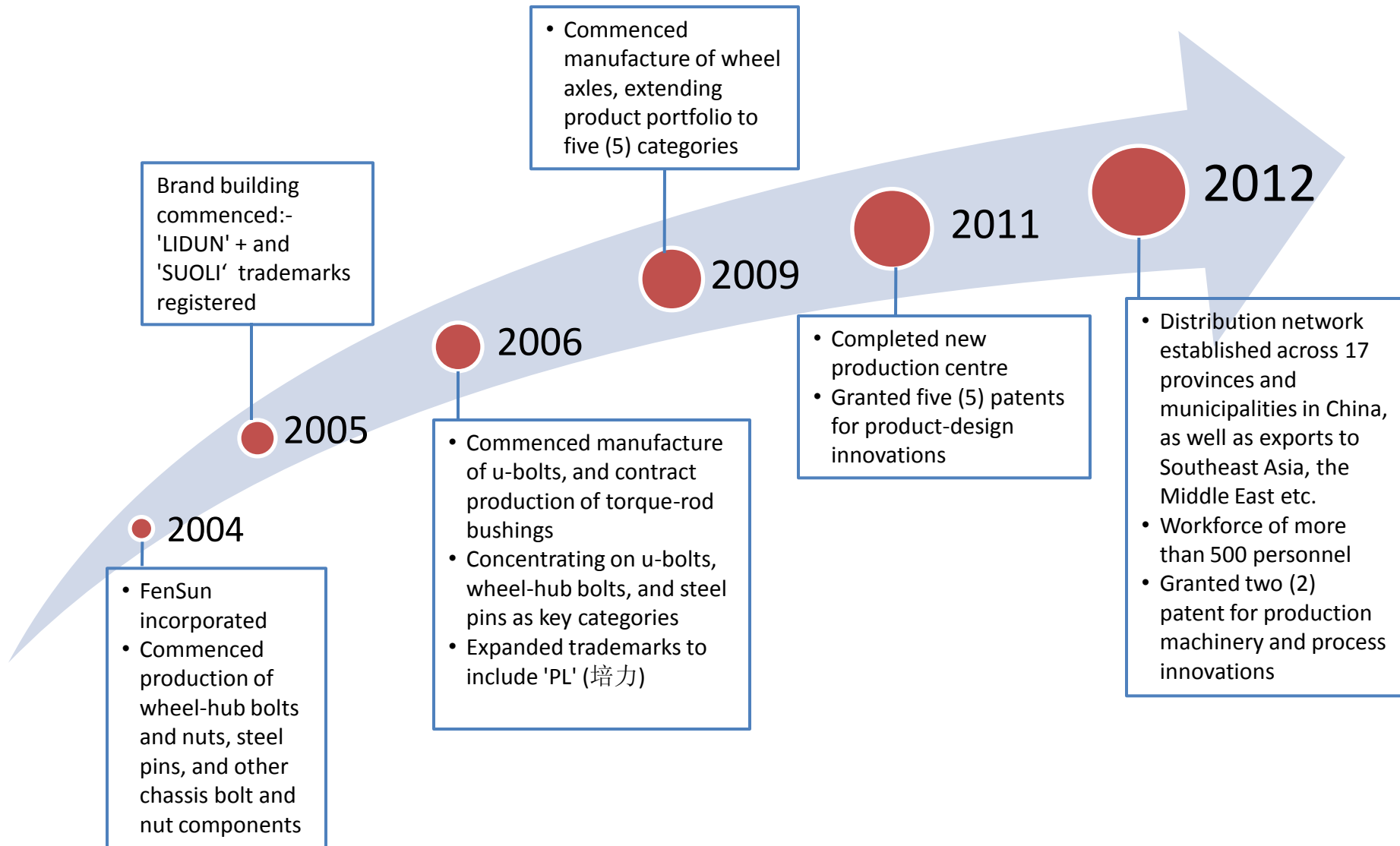
- 20% of PAT attributable to shareholders for FYE 2013 and 2014

Company Overview

- Specialist manufacturer of chassis components used in automobiles for transporting goods. Product portfolio consists of five (5) categories, namely wheel-hub bolts, wheel axles, steel pins, u-bolts and torque-rod bushings.
- Product lines are supplied for aftermarket repair, maintenance and modification, with an emphasis towards catering for replacement components used in heavy commercial vehicles.
- Products are sold in the PRC and overseas:-
 - Products sold in China are under its own trademarks 'LIDUN' (力顿), 'SUOLI' (索力) and 'PL' (培力) through its 19 authorised distributors in China covering 17 provinces and municipalities.
 - OEM-specification products are sold overseas through its 8 trading houses to countries in Southeast Asia (Malaysia, Indonesia and the Philippines), the Middle East (Dubai and Saudi Arabia), South Africa etc.
- Workforce of more than 500 personnel, with labour productivity increases achieved over the years arising from increasing sophistication of production machinery combined with in-house re-engineering of manufacturing processes.
- Accredited the internationally-recognised ISO/TS 16949:2009 quality management system by AQA International, LLC, conventionally acknowledged as the eminent accreditation for automobile products.
- Granted five (5) patents for product-design innovations and two (2) patents for innovations on our wheel-axle fabrication machinery and mechanism by the State Intellectual Property Office of the PRC (中国国家知识产权局) in 2011 and 2012, respectively.



History and Development



ILLUSTRATIVE EXAMPLE OF OUR PRODUCT CATEGORIES FITTED ONTO AN AUTOMOBILE CHASSIS



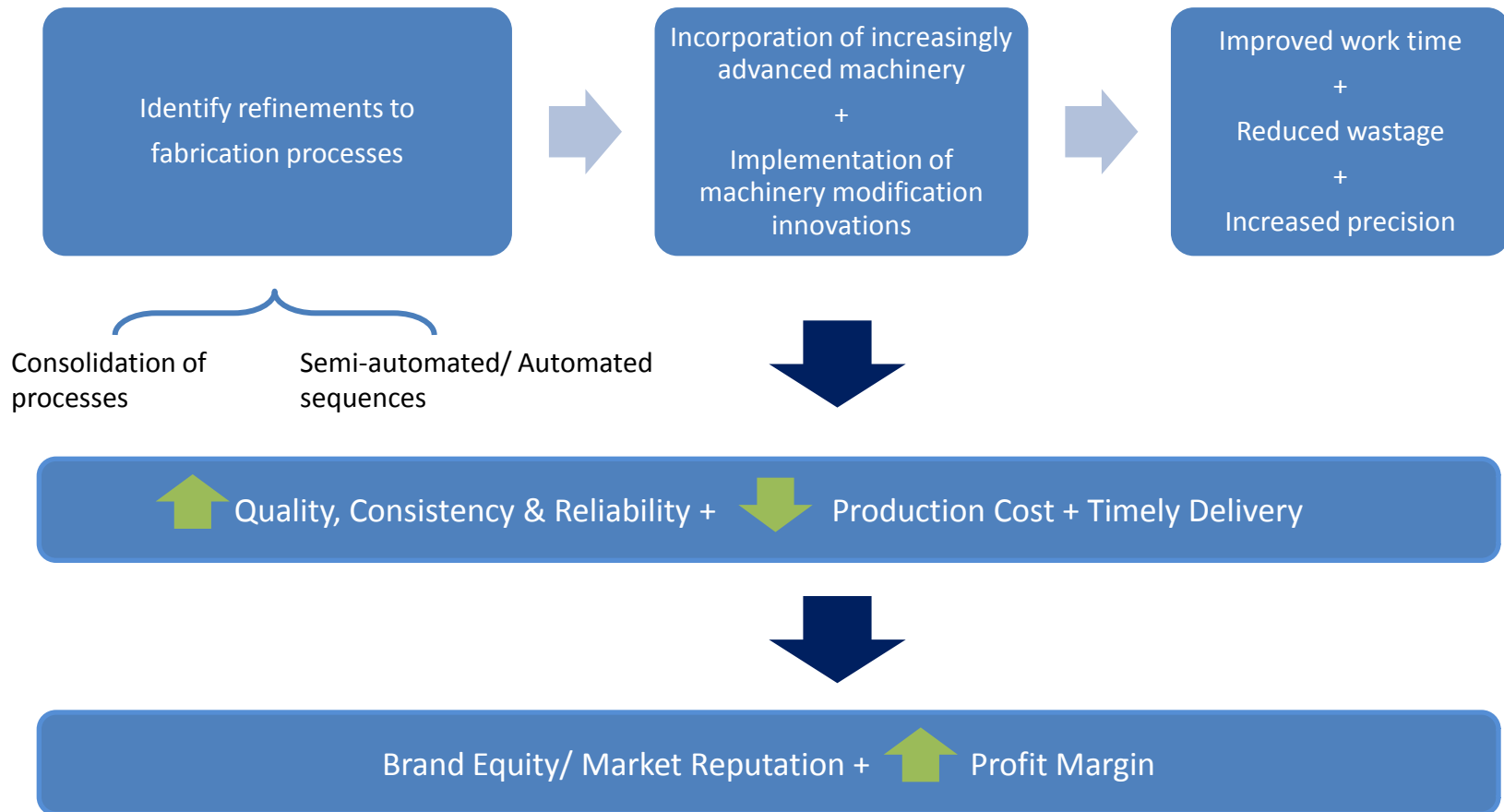
Products



Please refer to Appendix III for further details on product application.

Operational Strategy

We have progressively transitioned from mastery of manual metalworking competencies, to incorporation of computer-aided machining, and in-house re-engineering of manufacturing processes. Hence, increase production efficiencies, product quality and boost productivity.



Financial Snapshot

Audited financial statements of FenSun	FYE 31.12.2011 (Full year)		FPE 30.09.2012 (9-month period)	
	RMB'000	RM'000	RMB'000	RM'000
Cash balance	27,486 ¹	13,836	197,776	96,258
Borrowings	25,000	12,585	23,000	11,194
Shareholders' equity	200,115	100,738	308,703	150,246
Revenue	605,327	287,107	495,464	241,836
EBITDA	180,714	85,712	126,850 ²	61,916
Profit after tax	132,714	62,946	85,741 ²	41,851
Operating cash flow	146,895	69,672	136,714	66,731

Notes:-

(1)

After payment of RMB100.0 million dividend

(2)

Include a one-off expense of RMB22.8 million in relation to 33,750,000 shares received by GuoTai from Ong Juan Tee and dealt with as an equity-settled share-based payment in accordance with IFRS 2 Share-based Payment

Financial Highlights

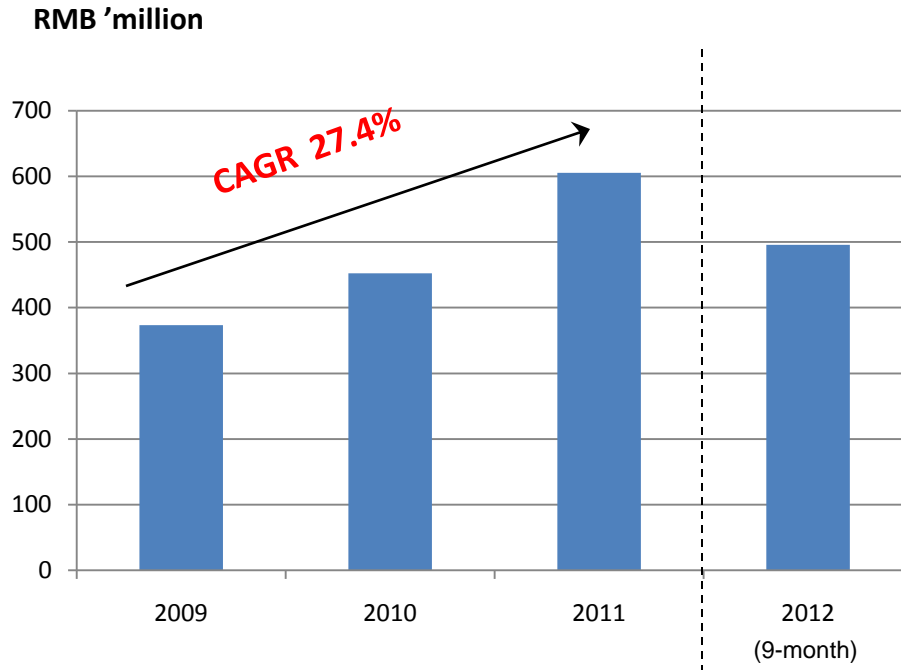
Audited financial statements of FenSun	2009 (RMB'000)	2010 (RMB'000)	2011 (RMB'000)	2012 (9-month) (RMB'000)	
Revenue	373,138	452,094	605,327	495,464	
% growth	NA	21.2%	33.9%		
Gross profit	106,221	136,548	194,769	160,256	
% margin	28.5%	30.2%	32.2%	32.3%	
EBITDA	100,736	129,404	180,714	126,850 ¹	149,697 ²
% margin	27.0%	28.6%	29.9%	25.6%	30.2%
PBT	99,468	127,507	177,524	122,115 ¹	144,962 ²
% margin	26.7%	28.2%	29.3%	24.7%	29.3%
Profit after tax	86,930	95,288	132,714	85,741 ¹	108,588 ²
% margin	23.3%	21.0%	21.9%	17.3%	21.9%
Net EPS (RMB)	0.14	0.16	0.22	0.14	0.18
ROE (%) ³	25.0	27.5	38.2	24.5	31.1
Operating cash flow	45,662	107,915	146,895	136,714	
Gearing ratio (times) ³	0.04	0.03	0.07	0.05	

Notes:-

- (1) Include a one-off expense of RMB22.8 million in relation to 33,750,000 shares received by GuoTai from Ong Juan Tee and dealt with as an equity-settled share-based payment in accordance with IFRS 2 Share-based Payment
- (2) For illustrative purposes, we have added back the one-off share-based payment of RMB22.8 million
- (3) Divided by proforma consolidated shareholders' equity as at 31 December 2009 of RMB289.3 million; 31 December 2010 of RMB304.6 million; 31 December 2011 of RMB361.4 million; and 30 September 2012 of RMB471.6 million upon completion of Listing

Revenue on an Uptrend

Revenue



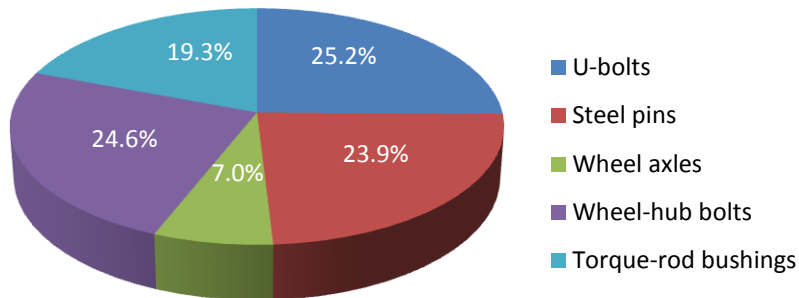
Comments

The robust growth in revenue is largely due to:-

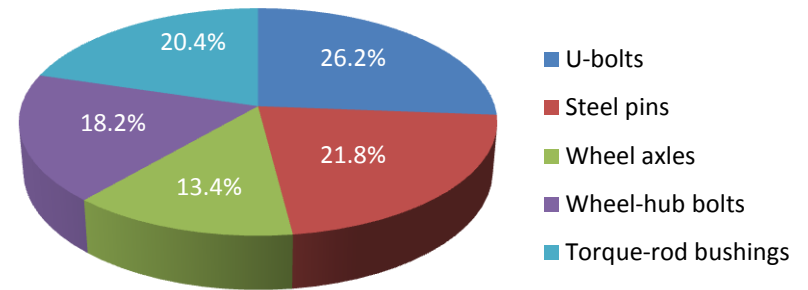
- Expansion of distribution network to 17 provinces and municipalities in China
- Extension of distribution network to 19 authorised distributors
- Increasing sales to all authorised distributors
- Strengthened brand equity and growing acceptance of proprietary brands which allows CAP to command higher selling prices
- Growth in overseas sales of OEM-specification components

Revenue Analysis (By Product)

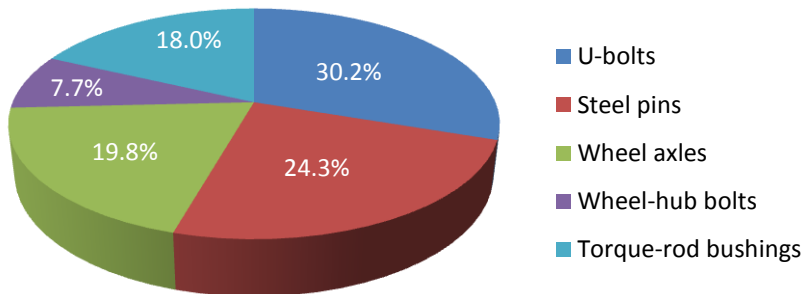
Revenue breakdown by product – FYE 2009



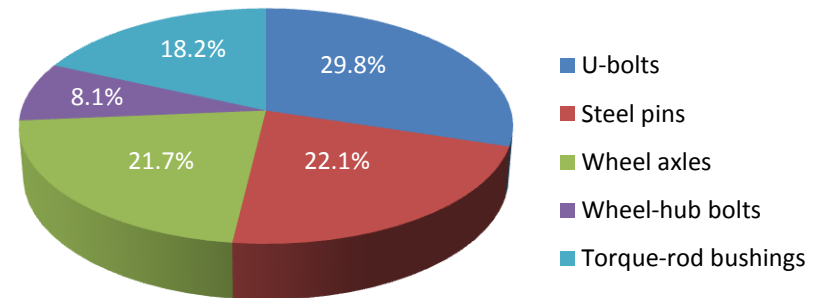
Revenue breakdown by product – FYE 2010



Revenue breakdown by product – FYE 2011

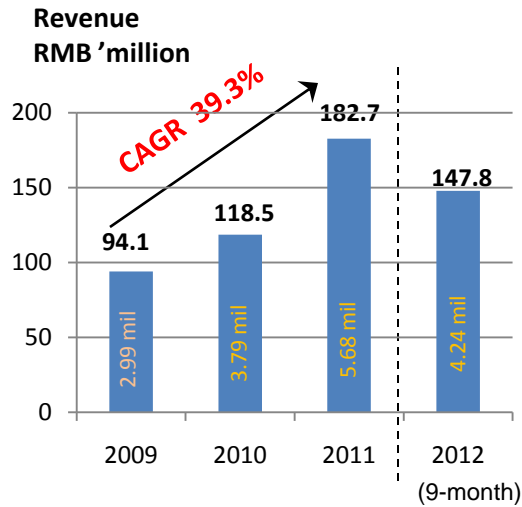


Revenue breakdown by product – FPE 30 September 2012

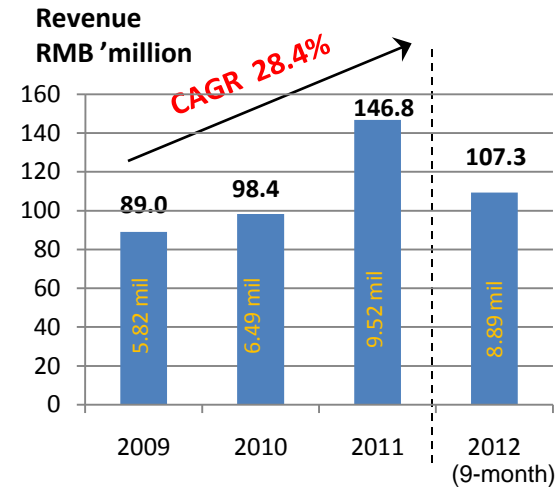


Revenue Analysis (By Product)

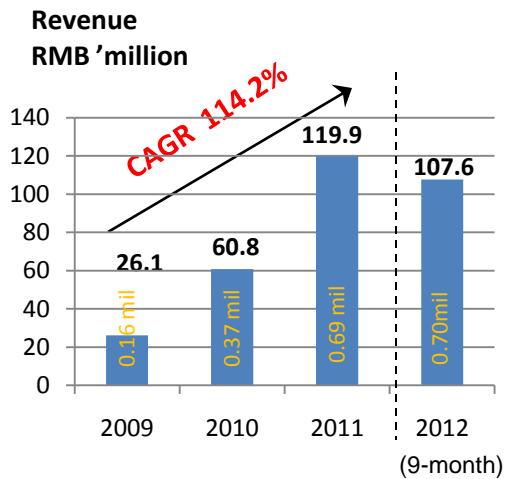
U-BOLTS



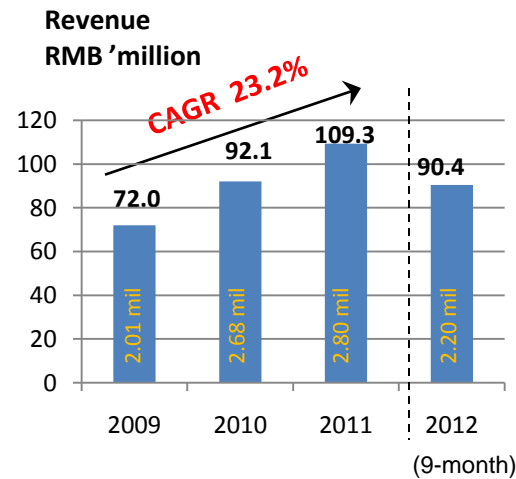
STEEL PINS



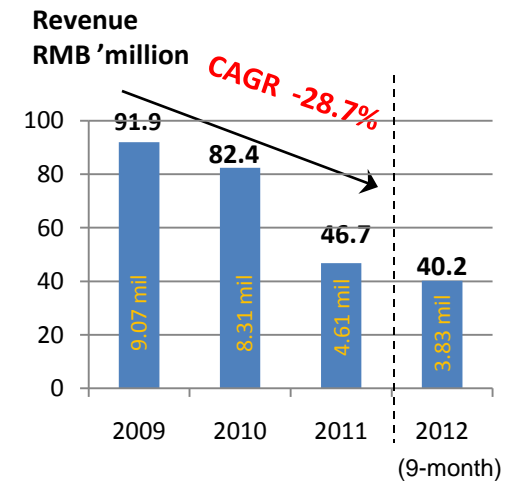
WHEEL AXLES



TORQUE-ROD BUSHINGS



WHEEL-HUB BOLTS

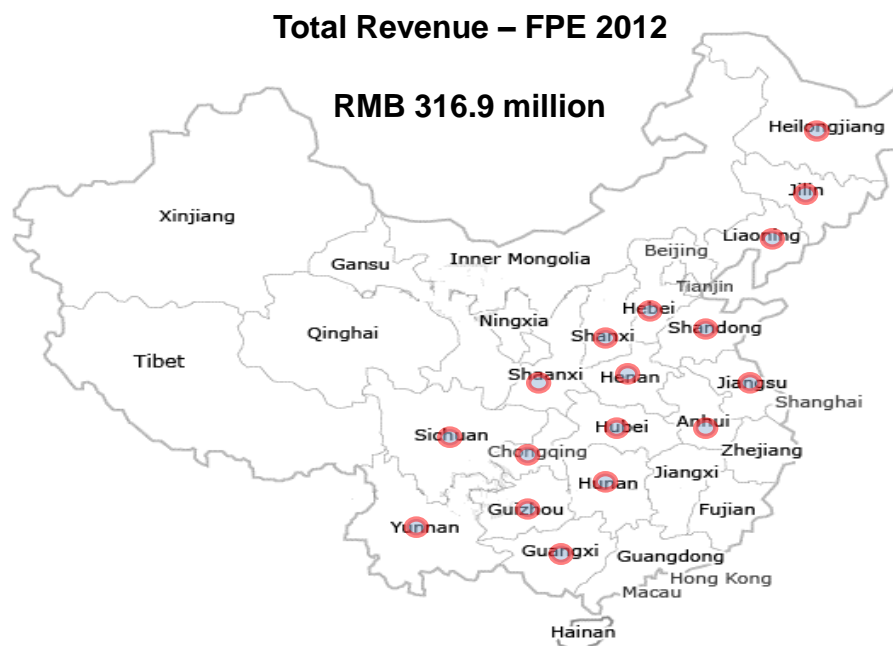


Revenue Analysis (By Market)

Description	FYE 31 December									FPE 30 September		
	2009			2010			2011			2012		
	RMB '000	RM '000	%	RMB '000	RM '000	%	RMB '000	RM '000	%	RMB '000	RM '000	%
OEM (Overseas market)	187,438	96,661	50.2	203,684	96,709	45.1	224,461	106,462	37.1	178,571	87,161	36.0
Own Brand (PRC market)	185,700	95,766	49.8	248,410	117,945	54.9	380,866	180,645	62.9	316,893	154,675	64.0
Total	373,138	192,427	100.0	452,094	214,654	100.0	605,327	287,107	100.0	495,464	241,836	100.0

NORTHERN REGION		
RMB'000	RM'000	%
141,587	69,108	44.7%
<i>Heilongjiang, Jilin, Liaoning, Hebei, Henan, Shandong, Shanxi</i>		

WESTERN REGION		
RMB'000	RM'000	%
92,928	45,358	29.3%
<i>Shaanxi, Chongqing, Sichuan, Guizhou, Yunnan, Guangxi</i>		

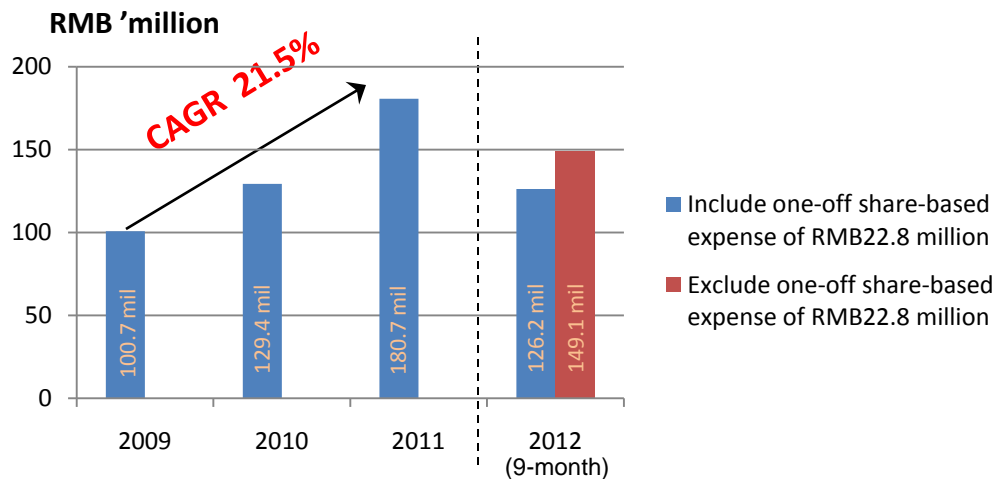


EASTERN REGION		
RMB'000	RM'000	%
28,879	14,096	9.1%
<i>Jiangsu, Anhui</i>		

SOUTHERN REGION		
RMB'000	RM'000	%
53,499	26,113	16.9%
<i>Hubei, Hunan</i>		

Profitability Growth

EBITDA



Comments

Consistent high growth in EBITDA and PAT is largely due to:-

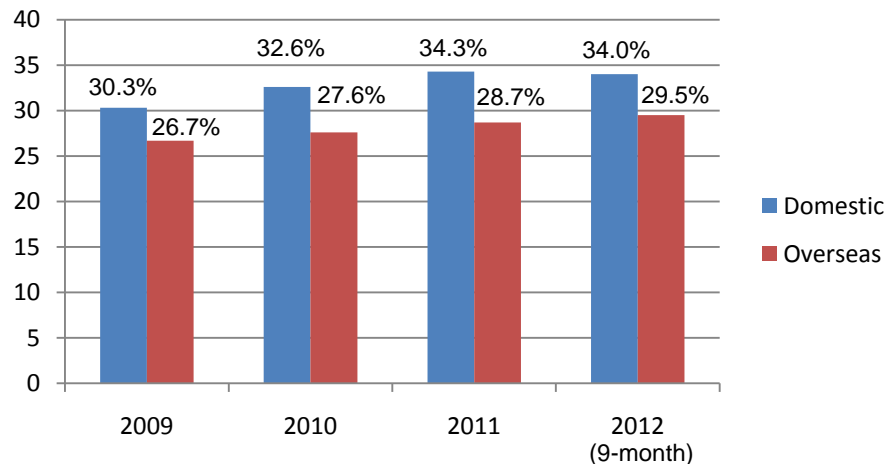
- Increase in sales volume and average selling prices especially in domestic market due to growing brand recognition
- Improved production efficiencies which led to reduced work time, reduced wastage of raw materials, and hence lower unit cost
- Competitive raw material costs due to favourable pricing obtained via prompt payment and good long-term relationship with suppliers

Profit After Tax



Gross Profit Margins During Expansion

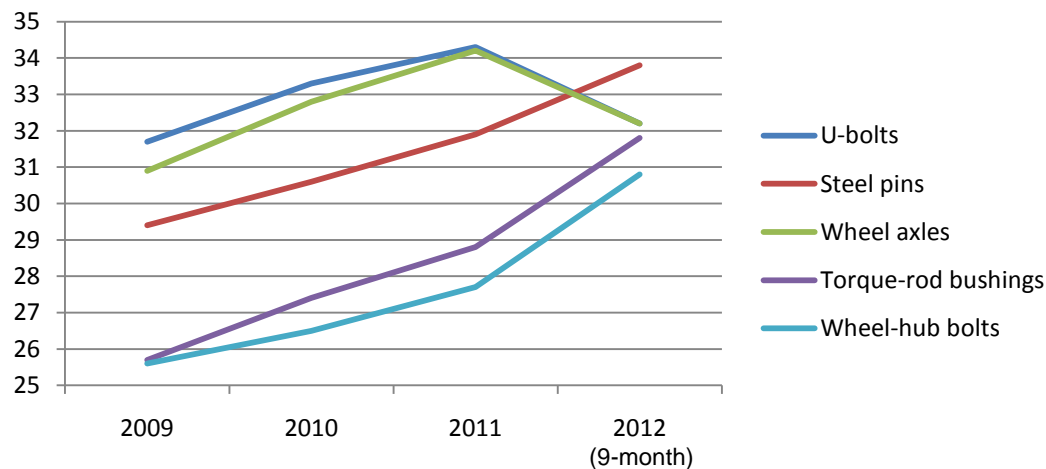
GP Margin (%)



Comments

Stable GP margin growth during expansion

GP Margin (%)



The movement in GP margin of u-bolts and wheel axles is due primarily to a change in the sales mix and a marginal decrease in selling price in order to capture more market share

Competitive Strengths

Focus on serving the aftermarket segment for replacement chassis components

- Aftermarket demand is substantially larger than consumption by new-vehicle manufacturing due to the regular replacement of chassis components of goods-transporting vehicles
- Entire sets of chassis components is commonly replaced during repair and maintenance instead of a single unit
- High demand is sustained by a large number of vehicle operators as opposed to CAP being heavily reliant on a few new-vehicle manufacturers
- Proprietary 'PL', 'LIDUN' and 'SUOLI' trademarks achieve growing market awareness and strengthened brand recognition in the aftermarket segment

Entrepreneurial drive for progression in creating precision and cost-efficient manufacturing of quality and reliable automotive components

- Continuous improvement in precision and cost-efficiency via increasing use of automation and sophistication of production machinery as well as in-house re-engineering of manufacturing processes
- Investment in R&D to proactively make strides in innovations and production competencies
- Awarded the ISO/TS 16949:2009 certification from AQA International LLC, an international benchmark for automotive products, in recognition of CAP's product quality
- Granted five (5) patents for product-design innovations and two (2) patents for our wheel-axles fabrication machinery and mechanism by the State Intellectual Property Office of the PRC

Competitive Strengths

One-stop specialist in chassis components for goods-transporting vehicles

- Wide product range of approximately 280 distinct models of wheel-hub bolts, 80 types of steel pins, 600 u-bolt specifications, 50 axle specifications and 60 specifications of torque-rod bushings, which allow CAP to fulfill a broad range of customer requirements and to serve as a one-stop supplier
- Custom-made configurations available for each product category to cater to special orders

Established market and industry reputation

- Good reputation as a reliable manufacturer of quality products, underpinned by the fact that none of the customers has ceased business relationship with CAP since its commencement
- Recognised as one of the Top 10 Brands With the Largest Potential in the '2011 China Automotive Parts Industry – Top 10 Enterprises Awards'
- Awarded the 'Top 10 National Brands of China's Auto Parts Industry' in the 2012 edition of China Auto Parts Industry Awards

Wide customer base for business growth

- Extensive distribution network which presently comprises 19 distributorships covering 17 provinces and municipalities in China, and 8 trading houses exporting to countries in Southeast Asia and the Middle East

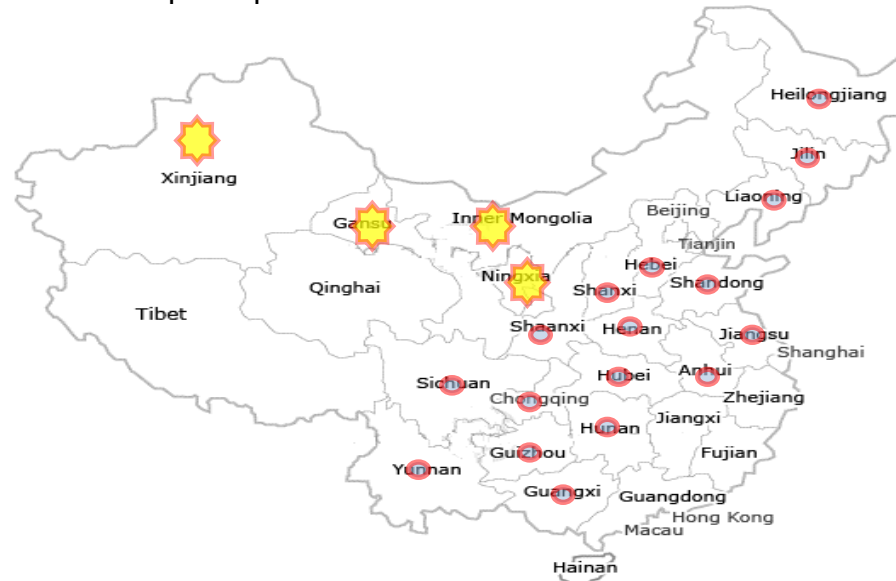
Future Plans and Strategies

EXPAND PRODUCTION CAPABILITIES

- Expand the available on-site floor space at the present operating premises by approximately 14,053sqm of additional built-up area, which is intended for production space, R&D, office use and warehousing

WIDEN AND STRENGTHEN DISTRIBUTION AND MARKETING OUTREACH

- Expand the company's distribution network and its geographical footprint. CAP will intensify its groundwork to identify suitable distribution partners in areas presently not within its coverage, such as in Inner Mongolia, Ningxia, Gansu and Xinjiang
- Strengthen the market awareness and recognition of CAP's proprietary brands in China through bolstering advertising initiatives and active participation in trade fairs



Malaysian Comparative Valuation

Company	Stock Exchange	Market cap (RM' mil) ¹	P/E ¹	P/BV ¹	Revenue (RM' mil) ²	PAT (RM' mil) ²	Net profit margin (%)	Operating Cash flow (RM' mil) ²
Mintye Industries Berhad	Malaysia	84.51	12.03	0.79	56.33	6.46	11.47%	8.10
Sapura Industrial Berhad	Malaysia	110.62	6.86	1.26	284.84	22.03	7.73%	29.26
EP Manufacturing Bhd	Malaysia	111.19	3.47	0.35	578.16	33.38	5.77%	108.17
New Hoong Fatt Holdings Berhad	Malaysia	172.86	8.77	0.57	215.57	19.81	9.19%	46.27
Delloyd Ventures Berhad	Malaysia	325.01	9.61	0.77	466.22	39.36	8.45%	30.86
APM Automotive Holding Berhad	Malaysia	927.36	7.10	1.07	1,182.07	119.89	10.14%	148.21
Average		288.59	7.97	0.80	463.87	40.16	8.79%	61.81
CAP-Bermuda	Malaysia	408.00	6.90	2.72	287.11	62.95	21.92%	69.68

Notes:-

(1) Based on Bloomberg as at 10 December 2012

(2) Based on latest audited financial statements

Foreign Comparative Valuation

Company	Stock Exchange	Market cap (RM' mil) ¹	P/E ¹	P/BV ¹	Revenue (RM' mil) ²	PAT (RM' mil) ²	Net profit margin (%)	Operating Cash flow (RM' mil) ²
Changfeng Axle (China) Company Limited	Hong Kong	227.16	7.92	0.29	435.93	28.30	5.70%	(154.25)
China Vehicle Components Technology Holdings Limited	Hong Kong	217.06	6.01	1.61	263.67	26.94	10.22%	19.88
Wanxiang Qianchao Co Ltd	Shenzhen	3,323.58	19.68	1.85	3,857.69	220.36	5.71%	170.88
Average		1,255.93	11.20	1.25	1,519.10	91.87	7.21%	12.17
CAP-Bermuda	Malaysia	408.00	6.90	2.72	287.11	62.95	21.92%	69.68

Notes:-

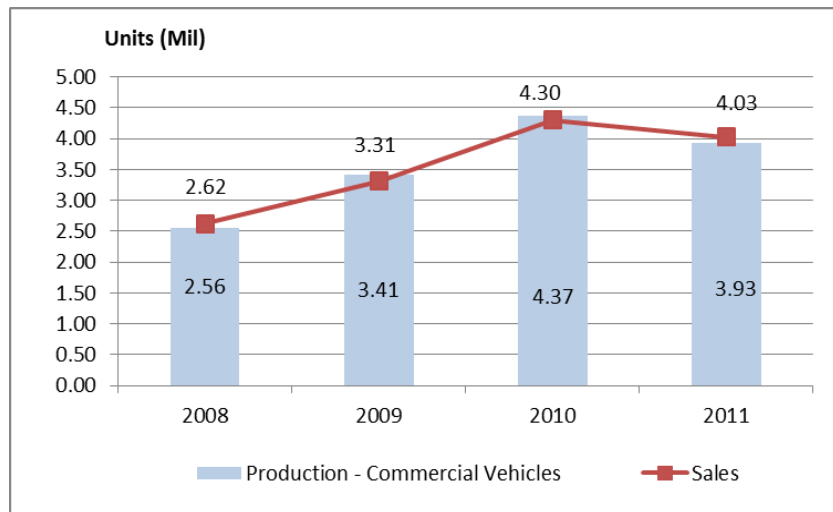
(1) Based on Bloomberg as at 10 December 2012

(2) Based on latest audited financial statements

Industry Overview

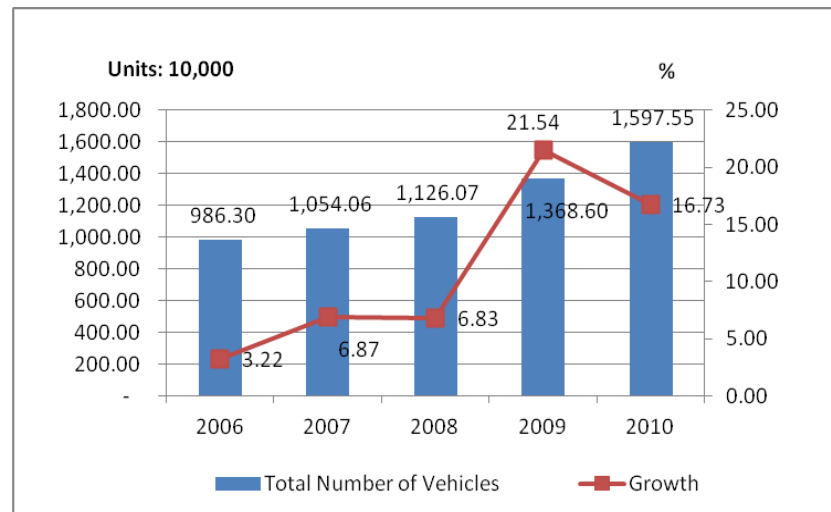
Growth in number of commercial vehicles

Production and Sale of Commercial Vehicles in the PRC (2008 to 2011)



Source: Converging Knowledge

Growth of Trucks Market in the PRC (2006-2010)



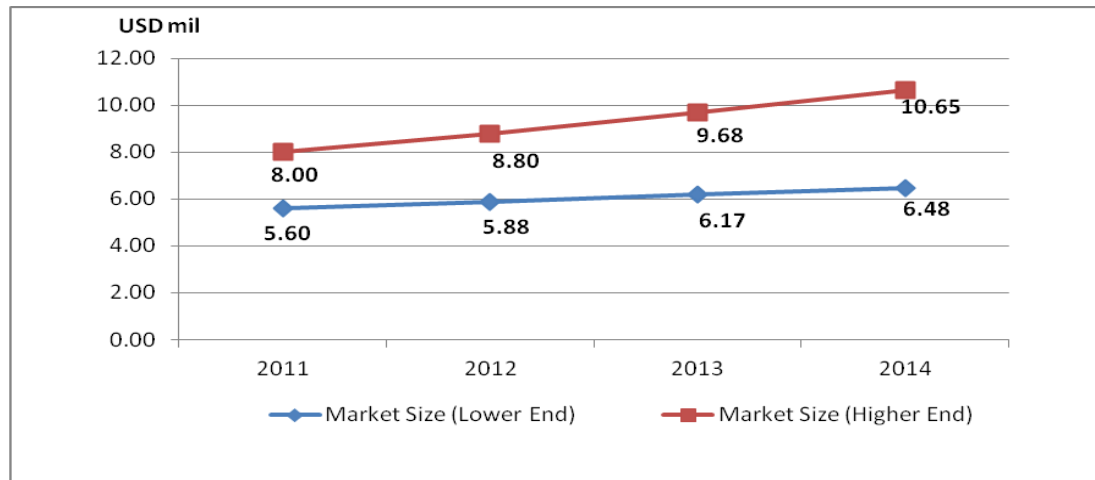
Source: Converging Knowledge

- The sale of commercial vehicles (trucks and buses) in China recorded an increase from 2.62 million units in 2008 to 4.03 million units in 2011
- In particular, the number of trucks in China has been increasing steadily from 9.86 million units in 2006 to 15.98 million units in 2010
- The rising GDP in China (9.2% in 2011), increase in highway infrastructure (CAGR of 3.8% from 2006 to 2010) and growth in business activities had led to the increase in number of trucks and heavy vehicles, which directly boosted the need for automotive components within the country

Domestic automotive components aftermarket

- The automotive component aftermarket for trucks has shown significant growth in the past decade, with growth rates of between CAGR 10.0% to 15.0% from 2009 to 2011, and is estimated to be worth between USD7.0 billion to USD10.0 billion for 2011
- In particular, the aftermarket segment for trucks' chassis parts in China is worth between USD5.6 billion to USD8.0 billion for 2011
- The truck chassis part aftermarket is expected to continue to grow positively at a CAGR of 5.0% to 10.0% from 2011 to 2014. Based on these projected growth rates, the market size of this sector in China is forecasted to reach between USD6.5 billion to USD10.6 billion by 2014

Projected Market Size of Chassis Parts Aftermarket for Trucks



Source: Converging Knowledge

Industry Overview

Market drivers

Price	OEM parts are known to be more expensive compared to aftermarket components because of branding. Hence, consumers in the country are more likely to opt for aftermarket part replacements.
Government support	Under the 12 th Five-Year Plan for National Economic and Social Development (2011 – 2015), the PRC government has identified areas of priority for development that will spur infrastructure development and construction activities in the country. This will lead to an increase in demand for trucks as well as their usage, hence raising the rate of replacement for automotive parts.
Continued growth in China's economy and rise in consumer's purchasing power	Domestic demand of China's economy is expected to be resilient, with a projected real GDP growth of 8.2% and 8.8% in 2012 and 2013 respectively. A positive economic growth will lead to more trucks being required to support the increase in business activities. This raises the demand for automotive parts.
Large and growing truck population	From 2006 to 2010, the truck population in China has grown by 62.0% (CAGR of 12.8%), reaching approximately 16.0 million units by 2010, which provides a ready demand for aftermarket automotive components.
High demand for automotive components	Trucks and heavy vehicles in China are prone to frequent replacement of automotive components caused by the overloading of these vehicles.

Appendix I – Financial Statements

Statements of Comprehensive Income

	FYE 31 December						FPE 30 September			
	2009		2010		2011		2012		2012	
	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000
Revenue	373,138	192,427	452,094	214,654	605,327	287,107	495,464	241,836		
Cost of sales	(266,917)	(137,649)	(315,546)	(149,821)	(410,558)	(194,728)	(335,208)	(163,615)		
Gross profit	106,221	54,778	136,548	64,833	194,769	92,379	160,256	78,221		
Other income	4,819	2,485	5,788	2,748	8,930	4,235	7,717	3,767		
Administrative expenses	(6,197)	(3,196)	(7,714)	(3,663)	(17,292)	(8,201)	(39,998) ¹	(19,523)	(17,151) ²	(8,371)
Selling and distribution expenses	(5,104)	(2,632)	(6,435)	(3,055)	(7,886)	(3,741)	(3,999)	(1,952)		
Finance costs	(271)	(139)	(680)	(323)	(997)	(473)	(1,861)	(908)		
PBT	99,468	51,296	127,507	60,540	177,524	84,199	122,115 ¹	59,605	143,962 ²	70,757
Tax expense	(12,538)	(6,466)	(32,219)	(15,298)	(44,810)	(21,253)	(36,374)	(17,754)		
PAT	86,930	44,830	95,288	45,242	132,714	62,946	85,741	41,851	108,588	53,003

Notes:-

- (1) Include a one-off expense of RMB22.8 million in relation to 33,750,000 shares received by GuoTai from Ong Juan Tee and dealt with as an equity-settled share-based payment in accordance with IFRS 2 Share-based Payment
- (2) For illustrative purposes, we have added back the one-off share-based payment of RMB22.8 million

Appendix I – Financial Statements

Statements of Financial Position

	As at 31 December						As at 30 September	
	2009	2009	2010	2010	2011	2011	2012	2012
	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000
ASSETS								
Non-current assets								
Property, plant and equipment	7,407	3,718	32,703	15,285	96,721	48,689	94,875	46,176
Land use rights	13,733	6,892	13,458	6,291	13,183	6,636	12,975	6,315
	21,140	10,610	46,161	21,576	109,904	55,325	107,850	52,491
Current assets								
Inventories	6,057	3,040	10,090	4,716	11,102	5,589	13,216	6,432
Trade and other receivables	139,457	69,994	133,178	62,247	135,869	68,397	95,862	46,655
Cash and cash equivalents	7,793	3,911	7,432	3,474	27,486	13,836	197,776	96,258
	153,307	76,945	150,700	70,437	174,457	87,822	306,854	149,345
TOTAL ASSETS	174,447	87,555	196,861	92,013	284,361	143,147	414,704	201,836
EQUITY AND LIABILITIES								
Equity attributable to owner of FenSun								
Capital	1,592	799	1,592	744	25,700	12,938	25,700	12,508
Reserves	126,413	63,447	141,701	66,231	174,415	87,800	283,003	137,738
Total equity	128,005	64,246	143,293	66,975	200,115	100,738	308,703	150,246
Current liabilities								
Trade and other payables	30,636	15,376	34,278	16,022	45,748	23,029	70,841	34,478
Short term borrowings	11,900	5,973	9,900	4,627	25,000	12,585	23,000	11,194
Current tax liabilities	3,906	1,960	9,390	4,389	13,498	6,795	12,160	5,918
Total liabilities	46,442	23,309	53,568	25,038	84,246	42,409	106,001	51,590
TOTAL EQUITY AND LIABILITIES	174,447	87,555	196,861	92,013	284,361	143,147	414,704	201,836

Appendix I – Financial Statements

Statements of Cash Flows

	FYE 31 December						FPE 30 September	
	2009	2009	2010	2010	2011	2011	2012	
	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES								
Profit before tax	99,468	51,296	127,507	60,540	177,524	84,199	122,115	59,605
Adjustments for:								
Depreciation of property, plant and equipment	977	504	980	465	1,982	940	3,031	1,479
Amortisation of land use rights	46	24	275	131	275	130	208	102
Interest expense	264	136	668	317	973	462	1,831	894
Interest income	(19)	(10)	(26)	(12)	(40)	(19)	(335)	(164)
Share-based payment expense	-	-	-	-	-	-	22,847	11,152
Loss on disposal of property, plant and equipment	-	-	-	-	49	23	-	-
Operating profit before changes in working capital	100,736	51,950	129,404	61,441	180,763	85,735	149,697	73,068
Changes in working capital								
Inventories	(188)	(97)	(4,033)	(1,915)	(1,012)	(480)	(2,114)	(1,032)
Trade and other receivables	(45,636)	(23,534)	6,279	2,981	(2,691)	(1,276)	40,007	19,527
Trade and other payables	2,393	1,234	3,642	1,729	11,470	5,441	(11,668)	(5,695)
Cash generated from operations	57,305	29,553	135,292	64,236	188,530	89,420	175,922	85,868
Interest received	19	10	26	12	40	19	335	164
Interest paid	(264)	(136)	(668)	(317)	(973)	(462)	(1,831)	(894)
Tax paid	(11,398)	(5,878)	(26,735)	(12,693)	(40,702)	(19,305)	(37,712)	(18,407)
Net cash from operating activities	45,662	23,549	107,915	51,238	146,895	69,672	136,714	66,731

Appendix I – Financial Statements

Statements of Cash Flows

	FYE 31 December						FPE 30 September	
	2009	2009	2010	2010	2011	2011	2012	
	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000	RMB'000	RM'000
CASH FLOWS USED IN INVESTING ACTIVITIES								
Purchase of property, plant and equipment	(114)	(59)	(26,276)	(12,476)	(66,523)	(31,552)	(1,185)	(578)
Purchase of land use rights	(13,779)	(7,106)	-	-	-	-	-	-
Advances from ultimate holding company	-	-	-	-	-	-	36,761	17,943
Proceeds from disposal of property, plant and equipment	-	-	-	-	474	225	-	-
Net cash used in investing activities	(13,893)	(7,165)	(26,276)	(12,476)	(66,049)	(31,327)	35,576	17,365
CASH FLOWS USED IN FINANCING ACTIVITIES								
Dividends paid	(40,000)	(20,628)	(80,000)	(37,984)	(100,000)	(47,430)	-	-
Proceeds from additional capital	-	-	-	-	24,108	11,434	-	-
Drawdown of borrowings	11,900	6,137	14,900	7,075	25,000	11,858	33,000	16,107
Repayment of borrowings	(2,000)	(1,031)	(16,900)	(8,024)	(9,900)	(4,696)	(35,000)	(17,084)
Net cash used in financing activities	(30,100)	(15,522)	(82,000)	(38,933)	(60,792)	(28,834)	(2,000)	(976)
Net increase/ (decrease) in cash and cash equivalents	1,669	862	(361)	(171)	20,054	9,511	170,290	83,120
Cash and cash equivalents at beginning of financial year	6,124	3,113	7,793	3,911	7,432	3,474	27,486	13,836
Exchange differences	-	(64)	-	(266)	-	851	-	(698)
Cash and cash equivalents at end of financial year	7,793	3,911	7,432	3,474	27,486	13,836	197,776	96,258

Appendix I – Financial Statements

Working Capital Management

	FYE 2009	FYE 2010	FYE 2011	FPE 2012
Current ratio (times)	3.3	2.8	2.1	2.9
Trade receivables turnover period (days) ¹	52.5	56.2	58.1	54.7
Trade payables turnover period (days) ¹	33.3	30.0	26.9	23.5
Inventories turnover period (days) ¹	8.2	9.3	9.4	9.9

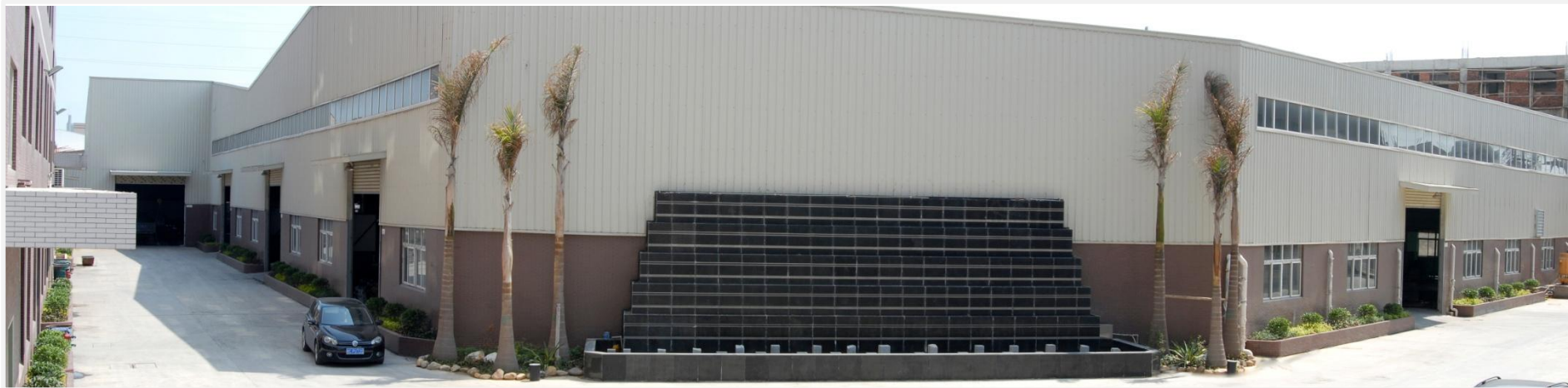
Note:-

(1) Computed based on average balances in FYE 2009, 2010 and 2011 and FPE 2012

Appendix II - Principal Place of Business



Appendix II - Principal Place of Business



Appendix II - Production Plant



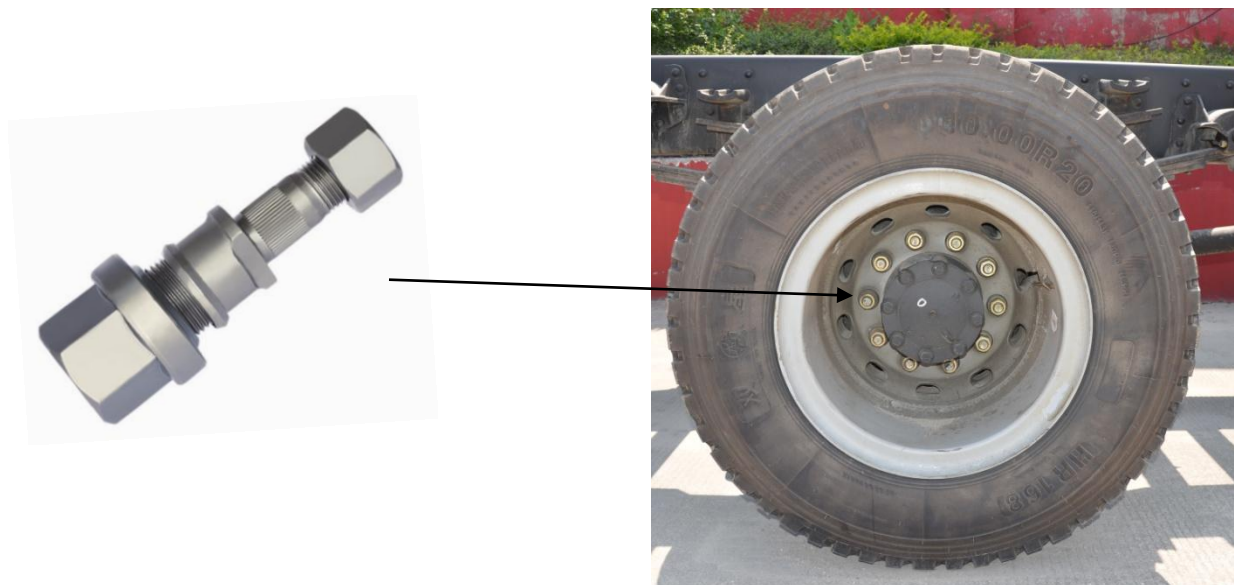
Appendix II - Production Plant



Appendix II - Corporate Office



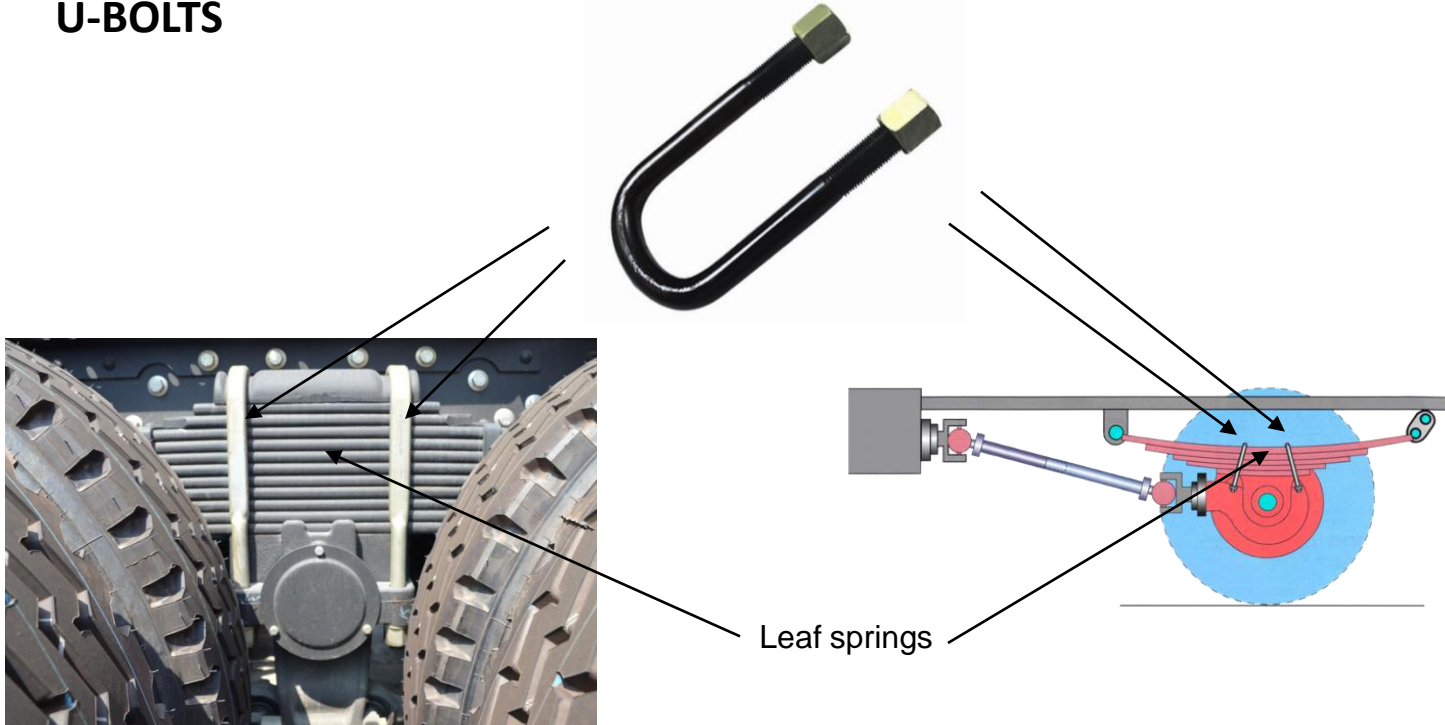
WHEEL-HUB BOLTS



Wheel-hub bolts are high-strength bolts or studs used together with matching nuts to attach and securely fasten wheels onto wheel hubs, which in turn are attached to vehicle axles.

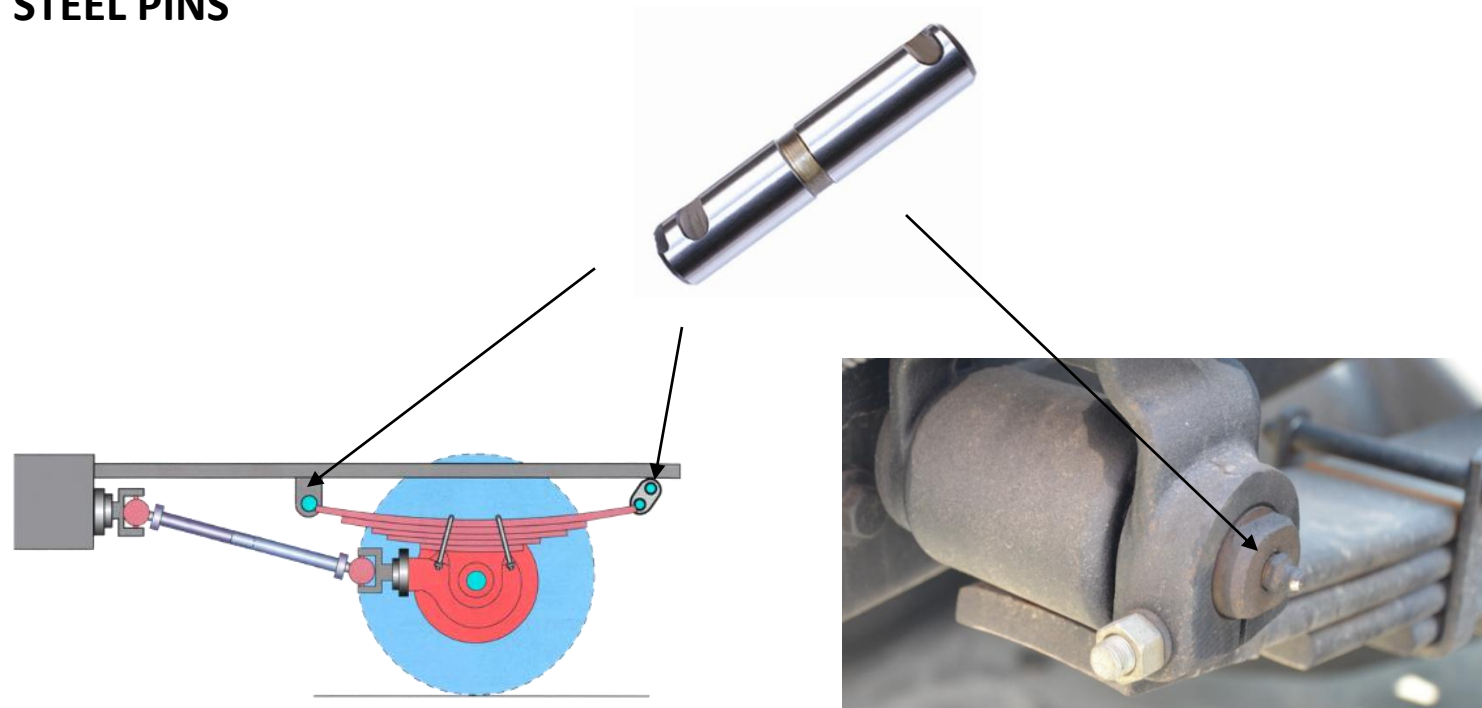
Appendix III – Product Application

U-BOLTS



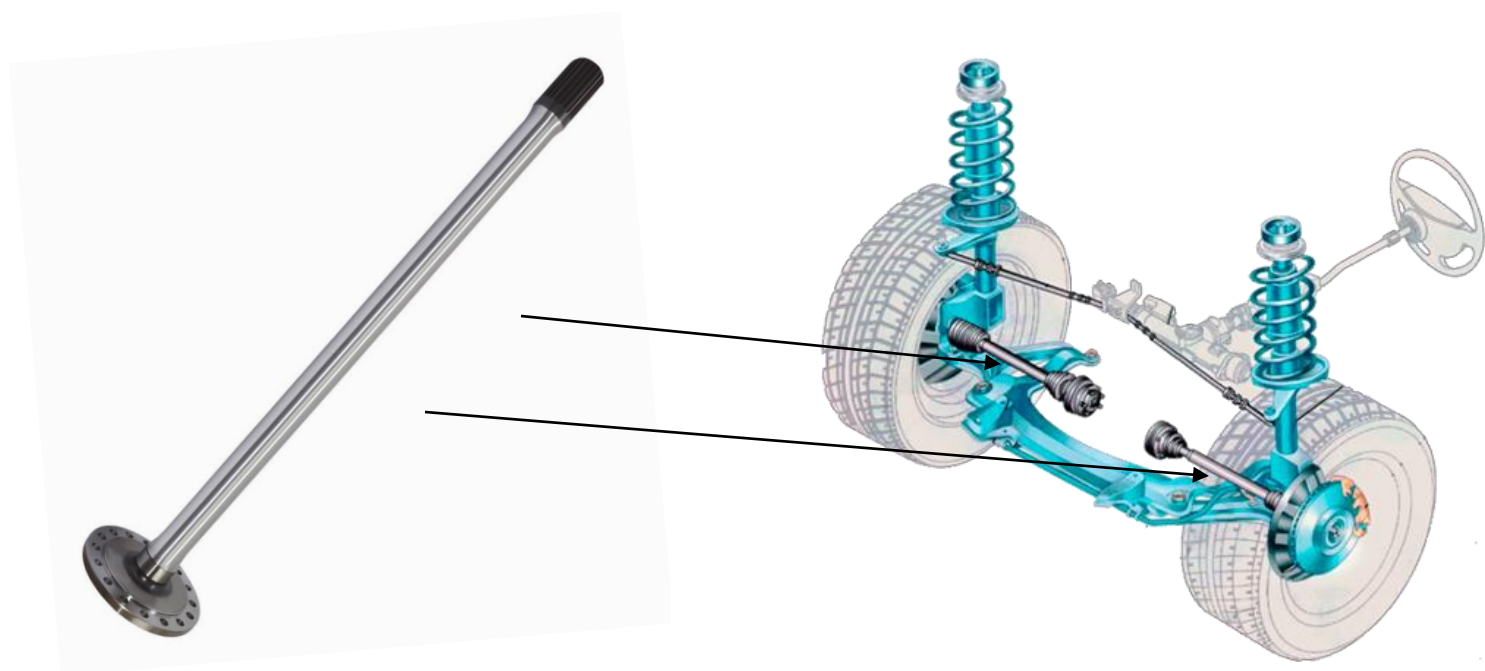
U-bolts are used to clamp leaf springs solidly into place, onto the axle housing / chassis, as the leaf spring acts as a linkage for holding the axle in position.

STEEL PINS



Steel pins are inserted into the eyes at both ends of a leaf-spring suspension system, to connect and support the mounting of the leaf spring onto the automobile.

WHEEL AXLES



Wheel axles are rigid shafts that connect wheels to vehicles, maintaining the positional axis of the wheels relative to each other and to the vehicle body.

TORQUE-ROD BUSHINGS



Torque-rod bushings serve as the connection joints of torque rods – torque rods are affixed via torque-rod bushings at both ends of the torque rod (one end attached to the wheel-axle housing, and the other end attached to the chassis frame).

Appendix IV - Directors

Dato' Seri Datuk Dr. Haji
Jalaluddin bin Abdul Rahim
(Independent
Non-Executive Chairman)
[Malaysian]

- 15 years experience in the public service and 39 years experience in the private sector
- Deputy Chairman of Lingui Development Bhd; Chairman of Pacific & Orient Insurance Co. Bhd; a member of the Dewan Negara Perak (Royal Council of Perak)
- Graduated with a Diploma in Public Administration from the London School of Economics and Political Science, United Kingdom and a Master of Business Administration from Warnborough College Oxford, United Kingdom; Honorary Doctorate in Philosophy by Warnborough University, Ireland; Honorary Fellow of the British Graduates Association, Malaysia

Ong Juan Tee
(Non-Independent Non-
Executive Vice Chairman)
[Hong Kong]

- 38 years of business experience, with 13 years in automotive parts industry
- Founder of CAP Group. Was responsible for the formulation of the overall business strategies and policies of the company

Terry Li
(Managing Director)
[Filipino]

- 10 years experience in sales and business management, with 8 years in automotive parts industry
- 8 years in CAP Group responsible for the implementation of management policies as well as formulation and execution of the strategic development of the Group
- Graduated from Liming Vocational University, Fujian with a major in corporate accounting in 2002

Appendix IV - Directors

Wang YuYun
(Executive Director)
[PRC]

- 15 years experience in product quality compliance and accounting and financial matters, with 8 years in automotive parts industry
- 8 years in CAP Group responsible for accounting and financial matters, procurement and management of CAP Group
- Graduated from Fujian Supply and Market School with a major in financial accounting in 1998

Lim Kock Hooi
(Independent
Non-Executive Director)
[Malaysian]

- 24 years experience in legal matters in the commercial environment.
- Former Managing Partner of Messrs. Azman, Davidson & Co.
- Graduated with Bachelor of Science degree with Honours, majoring in Applied Geology from University of Malaya; Bachelor of Laws degree with Honours from University of London, United Kingdom; Certificate in Legal Practice; Chartered Institute of Arbitrators, United Kingdom

Chung Wai Choong
(Independent
Non-Executive Director)
[Malaysian]

- 33 years experience in accounting and corporate exercises in the commercial environment
- Former partner of an accounting firm
- Independent Director of Sentoria Group Berhad and consultant on corporate matters to Hexagon Holdings Berhad
- A member of the Malaysian Institute of Certified Public Accountants and Malaysian Institute of Accountants

Appendix IV - Directors

Dr. Chen Boon Heow
(Independent
Non-Executive Director)
[Malaysian]

- 28 years experience covering the areas of audit and assurance, accounting, tax and corporate and business advisory services
- Experience in business performance, governance, risk and compliance matters as well as advising matters on internal control procedures
- Managing partner of a public accounting practice
- Bachelor in Accounting degree with Honours from University of Malaya and Doctorate in Business Administration from University of South Australia.
- A member of the Malaysian Institute of Certified Public Accountants, Malaysian Institute of Accountants, a Fellow of Chartered Tax Institute of Malaysia and a Fellow of CPA Australia.

Appendix IV - Senior Management

Chai Wai Teck
(Chief Financial Officer)
[Malaysian]

- 28 years experience and knowledge in accounting and financial reporting, corporate finance and corporate planning, credit controls, treasury management and enterprise risk management
- 19 years experience in 3 companies listed on the Main Market of Bursa Malaysia
- Overseeing the Group's accounting and financial reporting functions, compliance with the Listing Requirements and regulatory reporting in Malaysia as well as investor relations programme
- A Fellow of the Association of Chartered Certified Accountants, UK and a member of the Malaysian Institute of Accountants

Li ShiXian
(Production Manager)
[PRC]

- 26 years experience in machine operation, with 16 years experience in automotive parts industry
- 5 years in CAP Group – overseeing general production activities and quality assurance
- An assistant engineer specialising in mechanical design accredited by Quanzhou Professional Title Reform Office

Li JianDe
(Sales and Marketing
Manager)
[PRC]

- 29 years experience in the marketing of automotive parts
- 6 years in CAP Group – overseeing sales and marketing activities

Appendix IV - Senior Management

Li Jian
(Deputy Production
Manager)
[PRC]

- 13 years experience in the management of production operations
- Managing the efficiency of the Group's manufacturing processes as well as human resource management and administration affairs of production plant
- A senior facility engineer accredited by China High-technology Education Working Committee

Lu XiaoZhi
(Assistant Finance Manager)
[PRC]

- 9 years experience in accounting profession
- Overseeing accounting and financial aspects of the Group
- Holder of the Certificate of Accounting Professional issued by the Quanzhou Finance Bureau; a Junior Accountant recognised by the Ministry of Human Resources and Social Securities of the PRC