

CHINA AUTO ELECTRONICS GROUP LIMITED

(Incorporated in Bermuda with limited liability on 8 October 2003)
(Bermuda Company Registration Number 34300)



EXTENSIONS OF TIME TO:

- (1) ANNOUNCE THE FY2015 RESULTS; AND
 - (2) CONVENE THE COMPANY'S AGM FOR FY2015
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Introduction

1. The Board of Directors (the "**Board**") of China Auto Electronics Group Limited (the "**Company**") is pleased to announce that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") had informed that it has no objections to the Company's applications for a two-months extension of time with regards to compliance with each of Listing Rules 705(1) and 707(1) of the Listing Manual, subject to certain conditions as described below.
2. Accordingly, the Company has been granted:
 - (a) up to **29 April 2016** to release the announcement on the financial results of the Company for the full year ended 31 December 2015 ("**FY2015 Results**"); and
 - (b) up to **30 June 2016** to hold the Annual General Meeting of the Company,(collectively, the "**Waivers**"), subject to the conditions stated below.

Reasons for the Waivers

3. The Company had sought the Waivers for the following reasons:
 - (a) On 9 November 2015, the Company announced the closing of the issue of convertible bonds of an aggregate principal amount of S\$60 million (the "**Convertible Bonds**").
 - (b) In the course of finalising the FY2015 Results, the Company was requested by its auditors, PricewaterhouseCoopers LLP, to engage an independent professional valuer to assist the Company to perform the valuation of the Convertible Bonds for financial reporting purposes. The Company had since appointed Baker Tilly Consultancy (Singapore) Pte Ltd to perform the valuation of the Convertible Bonds, which is expected to complete by mid March 2016. The Company estimates that it requires three to four weeks thereafter to review the valuation, in consultation with the auditors. The Company expects to have the FY2015 Results presented to and approved by the Board by mid to end April 2016, with a buffer of one (1) week to consider if further amendments are required after the Board meeting convened to consider the draft FY2015 Results.

- (c) As the FY2015 Results are expected to be released towards end April 2016, the Company, in consultation with its auditors, estimates that another three (3) to four (4) weeks is required to complete the audit of the FY2015 Results. The Company requires an additional month thereafter to perform accuracy checks, proof-read, print and distribute its Annual Report, and observe the 14-day notice to its shareholders.

Conditions to the Waivers

- 4. The Waivers are subject to the following conditions:
 - (a) the Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107;
 - (b) submission of a written confirmation from the Company that the Waivers do not contravene any laws and regulations governing the Company and the articles of association of the Company;
 - (c) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company; and
 - (d) the Company convening the annual general meeting of the Company by 30 June 2016 subject to the approval of the same from the relevant regulatory authority in Bermuda.
- 5. As at the date of this announcement, the Company had submitted the confirmations referred to in paragraphs 4(b) and 4(c) above to the SGX-ST. The Company will make further announcements as and when there are material developments on the above.

BY ORDER OF THE BOARD

Zhang Jingtang
Executive Chairman

25 February 2016