

UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2015
PART I INFORMATION REQUIRED FOR QUARTERLY RESULTS, HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) *An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year*

	Third Quarter Ended on			9 Months Ended on		
	30/09/2015	30/09/2014	Change	30/09/2015	30/09/2014	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	631,599	562,089	12.4%	2,004,403	1,662,220	20.6%
Cost of sales	(513,659)	(441,824)	16.3%	(1,613,076)	(1,313,485)	22.8%
Gross profit	117,940	120,265	-1.9%	391,327	348,735	12.2%
Other items of income						
Interest income	1,081	1,662	-35.0%	6,269	7,447	-15.8%
Other income	10,832	2,512	331.2%	16,754	9,379	78.6%
Other items of expense						
Other expenses	(2,283)	(1,514)	50.8%	(6,802)	(8,869)	-23.3%
Selling and distribution expenses	(12,401)	(10,755)	15.3%	(37,904)	(32,437)	16.9%
Research and development expenses	(21,121)	(19,270)	9.6%	(60,234)	(49,181)	22.5%
General and administrative expenses	(32,312)	(34,431)	-6.2%	(120,542)	(90,526)	33.2%
Finance costs	(6,833)	(12,802)	-46.6%	(23,530)	(40,210)	-41.5%
Profit before income tax	54,903	45,667	20.2%	165,338	144,338	14.5%
Income tax	(5,406)	(7,606)	-28.9%	(22,649)	(21,934)	3.3%
Profit for the period	49,497	38,061	30.0%	142,689	122,404	16.6%
Other comprehensive (loss)/income, net of tax						
Currency translation difference	(330)	102	-423.5%	(1,383)	(252)	N.M.
Total comprehensive income for the period	49,167	38,163	28.8%	141,306	122,152	15.7%
Profit attributable to:						
Owners of the Company	49,031	36,833	33.1%	136,548	115,117	18.6%
Non-controlling interests	466	1,228	-62.1%	6,141	7,287	-15.7%
	49,497	38,061	30.0%	142,689	122,404	16.6%
Total comprehensive income attributable to:						
Owners of the Company	48,701	36,935	31.9%	135,165	114,865	17.7%
Non-controlling interests	466	1,228	-62.1%	6,141	7,287	-15.7%
	49,167	38,163	28.8%	141,306	122,152	15.7%

Note: "N.M." means "Not Meaningful"

1(a)(ii) Additional information to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

Profit before income tax is arrived at after charging/(crediting):

	Third Quarter Ended on			9 Months Ended on		
	30/09/2015	30/09/2014	Change	30/09/2015	30/09/2014	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Amortisation of intangible assets	845	518	63.1%	2,129	1,551	37.3%
Depreciation of property, plant and equipment	9,020	7,888	14.4%	26,247	23,305	12.6%
Interest income	(1,081)	(1,662)	-35.0%	(6,269)	(7,447)	-15.8%
Interest expense	6,833	12,802	-46.6%	23,530	40,210	-41.5%
Provision/(write back) of allowance for slow-moving inventories	(2,946)	-	N.M	5,622	-	N.M
(Reversal)/Provision for doubtful trade and other receivables	(9,679)	2,071	-567.4%	4,684	2,308	102.9%

"N.M" means no meaningful

Note:

Please refer to item 8 on page 10 for details.

1(b)(i) *A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year*

Statements of Financial Position:

	GROUP		COMPANY	
	30/09/2015	31/12/2014	30/09/2015	31/12/2014
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-Current Assets				
Property, plant and equipment	336,228	280,869	7	-
Intangible assets	106,182	68,038	-	-
Interest in subsidiaries	-	-	198,512	198,512
Trade and other receivables-non-current	-	-	-	-
Deferred income tax assets	9,663	9,663	-	-
Total non-current assets	452,073	358,570	198,519	198,512
Current Assets				
Inventories	505,231	448,160	-	-
Trade and other receivables	1,082,790	929,442	304,523	304,523
Financial assets, available-for- sale	1,800	1,800	-	-
Bank deposits pledged	158,679	237,547	-	-
Cash and cash equivalents	92,407	129,245	1,286	798
Total current assets	1,840,907	1,746,194	305,809	305,321
Total Assets	2,292,980	2,104,764	504,328	503,833
LIABILITIES				
Non-current liabilities				
Borrowings	55,323	20,247	-	-
Deferred income	44,257	20,439	-	-
Total non-current liability	99,580	40,686	-	-
Current Liabilities				
Trade and other payables	820,289	821,870	47,730	44,696
Short-term borrowings	474,380	479,383	-	-
Provision for income tax	4,341	7,340	-	-
Total current liabilities	1,299,010	1,308,593	47,730	44,696
Total Liabilities	1,398,590	1,349,279	47,730	44,696
NET CURRENT ASSETS	541,897	437,601	258,079	260,625
NET ASSETS	894,390	755,485	456,598	459,137
Equity				
Share capital	490,115	490,115	623,026	623,026
Other reserves	249,363	250,746	71,753	71,753
Retained earnings/ (Accumulated losses)	104,963	(31,585)	(238,181)	(235,642)
Non-controlling interests	49,949	46,209	-	-
Total Equity	894,390	755,485	456,598	459,137
Total Equity and Liabilities	2,292,980	2,104,764	504,328	503,833

Analysis of Statements of Financial Position

A. The Group

1. The increase in property, plant and equipment of RMB55.4 million to RMB336.2 million was mainly due to new purchases of machinery and equipment for production use.
2. The increase in intangible assets of RMB38.1 million to RMB106.2 million was due to addition of land use rights.
3. The increase in inventories and trade and other receivables was in line with the increase in sales activities.
4. The decrease in trade and other payables was mainly due to the payment made to suppliers during the financial period under review.
5. The decrease in short-term borrowings by RMB 5.0 million to RMB 474.3 million was due to the repayment of bank borrowings during the financial period under review.

1(b)(ii) *Aggregate amount of group's borrowings and debt securities*

	GROUP	
	30/09/2015	31/12/2014
Amount repayable in one year or less, or on demand		
Secured	246,380	245,383
Unsecured	228,000	234,000
	<u>474,380</u>	<u>479,383</u>
Amount repayable after one year		
Secured	55,323	20,247
	<u>55,323</u>	<u>20,247</u>

Details of any collateral

Short-term borrowings

As at 30 September 2015, the Group's secured borrowings were secured by the following collaterals:

	GROUP	
	30/09/2015	31/12/2014
	RMB'000	RMB'000
<u>Secured</u>		
Fixed deposits collateral	14,803	71,470
Accounts receivable	170,700	100,941
Production and office buildings	44,000	50,521
Finance lease	16,877	22,451
<u>Unsecured</u>		
Corporate guarantees		
Granted by unrelated third parties	125,000	185,000
Others	103,000	49,000

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Third Quarter Ended on		9 Months Ended on	
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from operating activities :				
Profit before income tax	54,903	45,667	165,338	144,338
Adjustments for :				
Amortisation of intangible assets	845	518	2,129	1,551
Depreciation of property, plant and equipment	9,020	7,888	26,247	23,305
Provision/(write back) of allowance for slow-moving inventories	(2,946)	-	5,622	-
Provision/(write back) of allowance for doubtful trade and other receivables	(9,679)	2,071	4,684	2,308
Impairment loss on property, plant and equipment	269	-	269	(228)
(Gain)/Loss from disposal of property, plant and equipment	(395)	129	(372)	(270)
Waiver of trade payables	-	-	-	-
Gain on disposal of property, plant and equipment	-	-	-	-
Interest income	(1,081)	(1,662)	(6,269)	(7,447)
Interest expense	6,833	12,802	23,530	40,210
Amortisation of government grant	(536)	(334)	(1,597)	(1,002)
Unrealised currency translation loss				
Operating profit before working capital changes	57,233	67,079	219,581	202,765
<i>Changes in working capital</i>				
Inventories	(38,181)	(20,714)	(62,693)	(7,522)
Trade and other receivables	15,725	110,847	(158,032)	33,710
Trade and other payables	(4,872)	14,557	59,857	(34,333)
Cash generated from operations	29,905	171,769	58,713	194,620
Interest received	1,081	1,662	6,269	7,447
Income tax paid	(3,885)	(4,337)	(25,648)	(16,602)
Net cash generated from operating activities	27,101	169,094	39,334	185,465
Cash flows from investing activities :				
Purchase of property, plant and equipment	(41,237)	(13,608)	(82,157)	(32,187)
Purchase of land use rights	(3,494)	-	(40,273)	(1,085)
Proceeds from disposal of property, plant and equipment	262	131	654	131
Cash subsidy received from government	17,000	-	42,415	-
Cash paid to acquire investments	-	-	-	(1,700)
Cash received from disposal of investment in equity funds	-	-	-	-
Net cash used in investing activities	(27,469)	(13,477)	(79,361)	(34,841)

	Third Quarter Ended on		9 Months Ended on	
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
	RMB'000	RMB'000	RMB'000	RMB'000
Cash flows from financing activities :				
Net proceeds from short-term borrowings	(12,388)	(130,538)	13,073	(108,807)
Changes in bills payables	(30,527)	7,136	(61,439)	96,240
Cash restricted in use	35,051	34,941	78,868	(85,636)
Dividends paid to non-controlling interest	-	-	(2,400)	(2,400)
Interest paid	(6,833)	(12,004)	(23,530)	(38,158)
Net cash generated from/(used in) financing activities	(14,697)	(100,465)	4,572	(138,761)
Net decrease in cash and bank balances	(15,065)	55,152	(35,455)	11,863
Effects of currency translation difference	(330)	102	(1,383)	(252)
Cash and cash equivalents at beginning of financial period	107,802	58,914	129,245	102,557
Cash and cash equivalents at end of financial period (Note A)	92,407	114,168	92,407	114,168
Note A				
Cash and cash equivalents comprise :				
Cash and bank balances	251,086	453,614	251,086	453,614
Less: Pledged deposits	(158,679)	(339,446)	(158,679)	(339,446)
	92,407	114,168	92,407	114,168

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

GROUP	Share capital RMB'000	Other reserves RMB'000	Retained earnings/(Acc umulated losses) RMB'000	Attributable to the Equity holders of the Company RMB'000	Non- controlling interest RMB'000	Total Equity RMB'000
Balance at 1 January 2015	490,115	250,746	(31,585)	709,276	46,209	755,485
Profit for the period	-	-	136,548	136,548	6,141	142,689
Currency Translation Difference	-	(1,383)	-	(1,383)	-	(1,383)
Total comprehensive income	-	(1,383)	136,548	135,165	6,141	141,306
Dividends paid to non-controlling interest	-	-	-	-	(2,401)	(2,401)
Balance at 30 September 2015	490,115	249,363	104,963	844,441	49,949	894,390
Balance at 1 January 2014	490,115	237,373	(140,821)	586,667	40,052	626,719
Profit for the period	-	-	115,117	115,117	7,287	122,404
Currency Translation Difference	-	(252)	-	(252)	-	(252)
Total comprehensive income	-	(252)	115,117	114,865	7,287	122,152
Dividends paid to non-controlling interest	-	-	-	-	(2,401)	(2,401)
Changes in shareholding in non-controlling interests of subsidiaries	-	(1,321)	-	(1,321)	(377)	(1,698)
Balance at 30 September 2014	490,115	235,800	(25,704)	700,211	44,561	744,772

COMPANY	Share capital RMB'000	Other reserves RMB'000	(Accumulated losses) RMB'000	Attributable to the Equity holders of the Company RMB'000	Total Equity RMB'000
Balance at 1 January 2015	623,026	71,753	(235,642)	459,137	459,137
Loss net of tax, representing total comprehensive loss for the period	-	-	(2,539)	(2,539)	(2,539)
Balance at 30 September 2015	623,026	71,753	(238,181)	456,598	456,598
Balance at 1 January 2014	623,026	71,753	(235,340)	459,439	459,439
Loss net of tax, representing total comprehensive loss for the period	-	-	(3,669)	(3,669)	(3,669)
Balance at 30 September 2014	623,026	71,753	(239,009)	455,770	455,770

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

	Number of Ordinary Shares	Share Capital RMB'000
Share capital:		
As at 1 January 2014 and 30 September 2014	681,600,000	623,026
As at 1 January 2015 and 30 September 2015	681,600,000	623,026

The Company does not have any outstanding convertibles or treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the preceding year

	Group		Company	
	30/09/2015	31/12/2014	30/09/2015	31/12/2014
Number of issued shares	681,600,000	681,600,000	681,600,000	681,600,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on

Not applicable.

2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice

The figures have not been audited nor reviewed by the auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in Paragraph 5 below, the accounting policies have been consistently applied by the Group, and are consistent with those used in the preparation of the financial statements for the financial year ended 31 December 2014.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted the applicable new and revised Singapore Financial Reporting Standards (“SFRS”) and Interpretations of Financial Reporting Standards (“INT FRS”) which become effective for the accounting periods beginning on or after 1 January 2015. The adoption of these new and revised FRS and INT FRS have no significant impact to the Group.

6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

(a) Based on the weighted average number of ordinary shares on issue; and

(b) On a fully diluted basis (detailing any adjustments made to the earnings)

	Third Quarter Ended on		9 Months Ended on	
	30/09/2015	30/09/2014	30/09/2015	30/09/2014
Profit attributable to shareholders of the Company (RMB'000)	49,031	36,833	136,548	115,117
Number of shares	681,600,000	681,600,000	681,600,000	681,600,000
Earnings per share (RMB cents)				
- Basic	7.19	5.40	20.03	16.89

Diluted earnings per share is not presented as there was no potential dilutive ordinary share existing during the relevant financial period presented.

7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

(a) Current financial period reported on; and

(b) Immediately preceding financial year

	Group		Company	
	30/09/2015	31/12/2014	30/09/2015	31/12/2014
Net assets (RMB'000)	844,441	709,276	456,598	459,137
Number of shares	681,600,000	681,600,000	681,600,000	681,600,000
Net assets value per share (RMB cents)	123.89	104.06	66.99	67.36

8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Revenue

	China Operations			US Operations			TOTAL		
	9 months FY2015	9 months FY2014	Change	9 months FY2015	9 months FY2014	Change	9 months FY2015	9 months FY2014	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	1,568,329	1,258,523	24.6%	436,074	403,697	8.0%	2,004,403	1,662,220	20.6%
Cost of sales	(1,191,330)	(930,996)	28.0%	(421,746)	(382,489)	10.3%	(1,613,076)	(1,313,485)	22.8%
Gross profit	376,999	327,527	15.1%	14,328	21,208	-32.4%	391,327	348,735	12.2%
Gross profit margin	24%	26%		3%	5%		20%	21%	

The Group recorded a net profit after tax of RMB142.7 million for the financial period ended 30 September 2015 ("3Q2015") as compared to RMB122.4 million in 3Q2014.

Group revenue for 3Q2015 increased by 20.6% to RMB2.00 billion.

Revenue from China operations increased by 24.6% to RMB1.6billion, while Overseas operations increased by 8.0% to RMB436.1 million. The increase in sales for China operations was mainly due to increase in sales of wire harnesses and connector products.

Gross profit and gross profit margin

Gross profit margin for the Group decreased by 1.0% point while the gross profit increased by 12.2% to RMB391.3 million. The increase in gross profit of China operation by 15.1% was mainly due to higher sales volume, while US operations decreased by 32.4%, which was mainly due to higher transportation cost and higher salary cost.

Net profit before income tax

Interest income decreased by RMB1.2 million (or 15.8%), which was mainly due to reduced fixed deposits being placed with banks.

Other income increased by RMB7.4 million to RMB16.8 million (or 78.6%), which was mainly due to gains on foreign exchange by RMB 9.4 million.

Other expenses decreased by RMB2.1 million (or 23.3%) to RMB 6.8 million, which was mainly due to reduction in losses on foreign exchange by RMB3.7 million.

Selling and distribution expenses increased by RMB5.5 million (or 16.9%) to RMB37.9 million, which was due to the increase in transportation cost and staffs expenses.

Research and development expenses increased by RMB11.1 million (or 22.5%) to RMB60.2 million, which was incurred for the development of new projects to seek opportunities to secure future sales with new and existing customers.

General and administrative expenses increased by RMB30.0 million (or 33.2%) to RMB120.5 million, which was mainly due to increase in office expenses of RMB5.9 million and increase in staff related expenses of RMB15.8million.

Finance cost decreased by RMB16.7 million (or 41.5%) to RMB23.5 million due to the reduction in interest rate and trade finance.

Cash flows

The Group generated RMB39.3 million (3Q2014: inflow of RMB185.5 million) from operating activities, which was resulted from profit made during the period and after offsetting the higher amount of trade receivable and inventories during the financial period ended under review. After payments for investing activities of RMB79.4 million (3Q2014: RMB34.8 million) and cash generated from financing activities of RMB4.6 million (3Q2014: outflow of RMB138.8 million), the cash and cash equivalent as at 30 September 2015 amounted to RMB92.4 million.

- 9** ***Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results***

No forecast or prospect statement had been previously issued for the financial period under review.

- 10** ***A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months***

The PRC automotive industry in the first three quarters of 2015 continued to show stable growth which would bode well for the Group's performance

The Group will continue to streamline its operations and concentrate on high end technological products, and its effort to increase sales and expansion to overseas markets as well as impose stringent cost controls.

- 11** ***Dividend***

- (a) Current Financial Period Reported On 30 September 2015***

Any dividend declared for the current financial period reported on?

None.

- (b) Corresponding Period of the Immediately Preceding Financial Period***

Any dividend declared for the corresponding period of the immediately preceding financial Period?

None.

- (c) Date payable***

Not applicable.

- (d) Books closure date***

Not applicable.

- 12** ***If no dividend has been declared (recommended), a statement to that effect***

No dividend has been declared or recommended for the financial period ended 30 September 2015.

- 13** ***If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect***

No IPT general mandate has been obtained from the shareholders.

14 Confirmation by the Board pursuant to Rule 705(5) of the Listing Manual.

We, Zhang Jingtang and Wang Laisheng, being directors of the Company, do hereby confirm for and on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial results for the financial period ended 30 September 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Zhang Jingtang (张景堂)

Executive Chairman

11 December 2015