



Lizhong Wheel Group Ltd.
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FOR IMMEDIATE RELEASE

Lizhong Wheel's net profit attributable to shareholders up 47.9% yoy to RMB56.4 million for 1H2015

- Revenue rose 21.0% yoy due to higher revenue from the overseas and domestic OEM business segment
- Net profit margin increased 0.6 percentage point from 2.8%

Key Financial Highlights

(RMB 'Mil)	2Q2015	2Q2014	Change (%)	1H2015	1H2014	Change (%)
Revenue	808.2	701.5	15.2	1649.7	1363.6	21.0
Gross Profit	132.0	123.6	6.8	271.5	233.0	16.5
Gross Profit Margin	16.3%	17.6%	(1.3pp)	16.5%	17.1%	(0.6pp)
Net Profit Attributable to Shareholders	31.8	25.7	23.7	56.4	38.1	47.9
Net Profit Margin	3.9%	3.7%	0.2pp	3.4%	2.8%	0.6pp
Total Comprehensive Income to Shareholders	37.0	27.2	36.4	67.5	32.5	107.3
Earnings Per Share* (RMB Cents)	13.51	10.92	23.7	24.00	16.23	47.9

Note:

pp: percentage point

*Based on the weighted average number of 235,025,550 shares

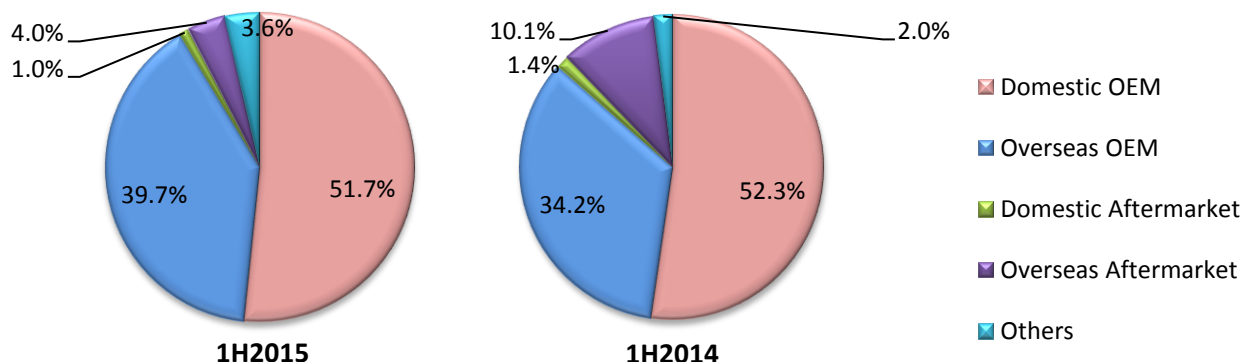
Singapore, 13 August 2015 – Lizhong Wheel Group Ltd. (“Lizhong Wheel” or “The Group” or “立中车轮”), the leading manufacturer of aluminum alloy wheels in China, today announced a 47.9% year-on-year (“yoy”) increase in its net profit attributable to shareholders to RMB56.4 million for its sixth months ended 30 June 2015 (“1H2015”).

Revenue increased 21.0% yoy to RMB1649.7 million for 1H2015 mainly due to higher contributions from the overseas and domestic Original Equipment Manufacturer (“OEM”) business segments, which increased by approximately RMB189.7 million and RMB139.2 million respectively. However, the increase in revenue was partially offset by decrease in overseas and domestic aftermarket business segments of approximately RMB72.0 million and RMB3.5 million respectively.



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Revenue Breakdown by Business Segment



Gross profit increased 16.5% yoy to RMB271.5 million for 1H2015. Meanwhile, gross profit margin decreased 0.6 pp to 16.5% yoy for 1H2015 due to decline in domestic aftermarket gross margin.

Despite the improved revenue, distribution costs and administrative expenses increased at a lower rate of 17.8% and 8.8% yoy to RMB60.7 million and RMB120.8 million respectively for 1H2015. Distribution costs increased due to the increased agency commission of RMB2.0 million, rental of RMB3.6 million, delivery fee of RMB1.8 million and other miscellaneous expenses. Meanwhile, administrative expenses increased mainly attributable to higher research expenses of RMB3.6 million, staff related costs of RMB4.4 million and other miscellaneous expenses.

Other operating expenses decreased 58.2% yoy to RMB2.8 million for 1H2015, mainly due to decrease in exchange loss of RMB6.1 million as a result of the RMB depreciation against USD. This is partially offset by a RMB2.3 million increase in allowance for doubtful debts.

In line with the increase in profit before income tax, income tax expenses increased 18.8% yoy to RMB11.8 million for 1H2015, which is partially offset by tax relief of RMB2.6 million.

With the Group's improved performance, earnings per share ("EPS") increased 47.9% from 16.23 Renminbi cents for 1H2014 to 24.00 Renminbi cents for 1H2015.

Outlook

Lizhong Wheel's Executive Chairman, Mr. Zang Ligen commented, **"We are relatively satisfied with our results for 1H2015 which benefited from lower price of aluminum, improved economies of scale and continuous research and development. However, we are well aware that the slowdown in the Chinese economy and stiff competition may dampen our growth. Going forward, we will step up our efforts in developing the overseas OEM markets which**



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provide greater business opportunities so as to mitigate the impact of slowdown in domestic OEM business segment.”

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About Lizhong Wheel Group Ltd.

Lizhong Wheel Group Ltd. (“Lizhong Wheel”, “The Group” or “立中车轮”) is principally engaged in the design, manufacture and sale of aluminum alloy wheels for use in various types of automobiles. It has over 400 different models and 2000 of electro-plated and spray-painted aluminum alloy wheels, with sizes ranging from 12 to 24 inches in diameter. Lizhong Wheel’s products are sold to the retail, domestic and export OEM markets.

Currently, Lizhong Wheel has six wheel production plants and a R&D centre in China and one wheel production plant in Thailand. The total annual production capacity of the Group is 13 million wheels.

Lizhong Wheel is incorporated in Singapore and was listed on the Main Board of the SGX on 19 October 2005.

Issued for and on behalf of Lizhong Wheel Group Ltd.

By Financial PR Pte Ltd

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