

**ANCHUN INTERNATIONAL HOLDINGS LTD.**

Co. Registration Number: 200920277C

Co. Address: 81 Anson Road, Suite 8.20, Singapore 079908

Principal Office: 539 Lusong Road, Changsha Hi-tech Development Zone,  
Changsha, Hunan, China**FOR IMMEDIATE RELEASE**

## **Anchun achieves a profitable 3Q2016; Narrows loss for 9M2016**

- *Continues to see delay of projects and postponement of capital expenditure investments by customers*
- *Expects FY2016 to remain challenging given weak economic outlook and tight credit environment in the PRC, coupled with global decline in commodity prices*
- *Order book remains healthy at RMB93.9 million as at 30 September 2016*

**Financial Highlights (FPE 30 September)**

<b>RMB'mil</b>	<b>3Q2016</b>	<b>3Q2015</b>	<b>% Chg</b>	<b>9M2016</b>	<b>9M2015</b>	<b>% Chg</b>	<b>2Q2016</b>	<b>1H2016</b>
Revenue	29.6	24.3	22	65.2	78.9	-17	16.2	35.5
Gross Profit	12.8	9.0	42	21.7	32.8	-34	3.8	8.9
Gross Profit Margin (%)	43	37	6 pts	33	42	-9 pts		
Net Profit Attributable to Shareholders	3.3	2.4	39	-8.1	5.3	NM	-5.7	-11.3

*NM – Not meaningful*

**Singapore –10November2016–** Mainboard-listed **Anchun International Holdings Ltd.** (“Anchun” or the “**Group**”, or “安淳国际控股有限公司”), a leading integrated chemical systems engineering and technology solutions provider to China’s petrochemical and chemical industries and environmental protection industry, today reported a profitable quarter that narrowed its loss for the nine months ended 30 September 2016 (“**9M2016**”) to RMB8.1 million. This compared to a loss of RMB11.3 million posted by the Group for the six months ended 30 June 2016 (“**1H2016**”).

For 9M2016, the Group's revenue declined 17% to RMB65.2 million mainly because some Group's customers did not proceed with new investment projects in FY2016 and extension of delivery dates by customers in its Engineering Services and CSC segments respectively.

### **3-month basis**

For the three months ended 30 September 2016 ("**3Q2016**"), the Group's revenue increased 22% year-on-year ("**yoy**") to RMB29.6 million from stronger sales in its Chemical Systems and Components ("**CSC**") and Catalysts segments. In line with this, the Group posted a net attributable profit of RMB3.3 million, representing a 39% year-on-year improvement over RMB2.4 million in 3Q2015 and a quarter-on-quarter turnaround compared to the loss of RMB5.7 million it recorded in 2Q2016.

Ms Xie Ming, (谢明), Anchun's Executive Director and Chief Executive Officer said, "Even though business sentiments in 3Q2016 were less than ideal, Anchun managed to achieve a profitable third quarter that helped narrow our year-to-date loss in 2016 and strengthened our order book to RMB93.9 million as at 30 September 2016. We expect conditions to remain challenging in FY2016 given the weak economic and credit outlook in the PRC and global decline in commodity prices."

She continued, "Already we have optimized our operations and efficiency, including streamlining our headcount, and will stay prudent and vigilant while focusing our R&D efforts on new generation technology to drive sustainable growth. Moreover, we are in a financially strong position with no bank borrowings and cash holdings of RMB150.8 million as at 30 September 2016. While the current business climate is tough, we believe this is a down-cycle we can ride through."

-End-

### ***About Anchun International Holdings Ltd ("Anchun")***

*Listed on the SGX Mainboard in 2010, Anchun International Holdings Ltd ("Anchun") is a leading integrated EPC provider of process technology, design, manufacturing and engineering services*

*to the PRC environmental protection industry, and petrochemical and chemical industries, in particular, the ammonia and methanol industries.*

*With its strong R&D capabilities and patented key technologies, Anchun is strategically positioned to capture value across the value chain from system design, system manufacturing and project management, and after-sales.*

*Over the years, Anchun has won several enterprise awards and accolades, including status of designated company for technological support for China Petroleum & Chemical Industry in Environmental Protection and Green Production (中国石油和化工行业环境保护与清洁生产重点支撑技术单位), 2013 outstanding technological advancement award (工业科技进步奖) conferred by both China Fertilizer Industry Association (中国氮肥工业协会) and China Petroleum and Chemical Industries Association (中国石油和化学工业联合会) and “Most Innovative Companies” award conferred by China Petroleum & Chemical Industry Associations (中国石油和化学工业联合会) in 2016.*

**For more information please contact:**

**August Consulting / Tel: 6733 8873**

Silvia Heng – [silviaheng@august.com.sg](mailto:silviaheng@august.com.sg) / HP: 96844500

Colin Tan – [colintan@august.com.sg](mailto:colintan@august.com.sg) / HP: 9862 1532