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WORLD PRECISION MACHINERY LIMITED
(Company Registration Number: 200409453N)

FOR IMMEDIATE RELEASE

World Precision Machinery reports earnings of RMB32.5 million for 9M2015

- **9M2015 revenue declined 33.1% to RMB434.9 million, due to lower sales of stamping machines and lower average selling prices**
- **Gross profit margin increased by 0.5 percentage point to 31.3% due to lower raw material cost**
- **The Group will make concerted efforts in R&D by innovating new products as well as elevating the quality of its existing products**

SINGAPORE, 13 November 2015 –SGX Mainboard-listed World Precision Machinery Limited (“World Precision” and together with its subsidiaries, the “Group”) (“沃得精机有限公司”), a manufacturer of precision stamping equipment in the PRC, reported a turnover of RMB434.9 million and a net profit of RMB32.5 million for the nine months ended 30 September 2015 (“9M2015”).

The Group’s overall sales dropped 33.1% largely due to the decrease in sales volume and lower average selling price of stamping machines. Sales of conventional stamping machines and high performance and high tonnage stamping machines (“HPHT”) decreased by 36.6% and 35.6% respectively compared to 9M2014.

Financial Highlight

RMB 'Million	9M2015	9M2014	% Chg%
Revenue	434.9	649.9	(33.1)
Gross Profit	136.3	200.3	(32.0)
Gross Profit Margin	31.3%	30.8%	0.5 pp
Net Profit	32.5	75.0	(56.7)
Net Profit Margin	7.5%	11.5%	(4.0) pp
Diluted EPS* (RMB)	0.08	0.19	(57.9)

pp: percentage points

*Calculated based on the weighted average number of 400,000,000 ordinary shares in 9M2015 and 9M2014.

In tandem with the decrease in revenue, the gross profit for 9M2015 decreased by 32.0% yoy to RMB136.3 million from RMB200.3 million for 9M2014. The Group's gross profit margin increased by 0.5 percentage point to 31.3% for 9M2015 mainly due to a decrease in raw material costs, which was partially offset by lower average selling prices. In terms of the breakdown, gross profit margin for conventional stamping machines increased by 0.8 percentage point to 25.2% while that for HPHT stamping machines decreased by 0.5 percentage point to 30.7% for 9M2015.

In line with the decreased turnover, the Group's distribution and selling expenses decreased by 14.1% to RMB38.1 million for 9M2015 from RMB44.3 million for 9M2014. This decrease is mainly due to a decrease in sales commission payable to sales personnel, transport expenses, travelling expenses and warranty services expense.

The Group's administrative expenses decreased by 18.0% to RMB45.8 million compared to RMB55.9 million for 9M2014. The decrease was mainly due to a decrease in research and development costs for stamping machines which was partially offset by an increase in staff related costs.

For 9M2015, the Group's finance expenses recorded an increase of 219.0% to RMB12.0 million from RMB3.8 million for 9M2014, which is due to no interest expenses relating to the Shenyang plant which had been capitalised since it started its trial production in 2Q2014 and interest paid for early redemption of bill receivables.

Outlook

The PRC's economic growth slows to 6.9% for the third quarter, representing the slowest growth rate since 2009¹. In its attempt to revive the slowing economy, the PRC government has cut interest rate for the sixth time within a 12-month period². The current tough business environment is likely to pose challenges to the Group.

Commenting on the PRC's economy and the Group's growth and future strategies, Mr. Wu Yufang (吴玉芳), Chief Executive Office of World Precision Machinery says, **“Industrial production growth in September of 2015 was recorded below analysts' expectation at 5.7% over the same month in the previous year. As a result, the Group saw a drop in new order book due to the weakness in manufacturing as firms cut back on investments in capital goods.**

Despite the headwinds, we think that the proposal to double the PRC's 2010 GDP and per-capita income of both urban and rural residents by 2020 in the 13th Five Year Plan bodes well for the macro economy. Domestic consumption is set to drive the PRC's economy going forward which will stimulate capital goods investments. Nonetheless, this may take some time to translate into real business to the Group.

We have also participated in the '2025 Southern Jiangsu Project' which is a 10-year plan for upgrading the nation's manufacturing capacity, placing focus on 10 sectors including *inter alia* high-end computerized machinery and robotics which will benefit the Company.

In the meantime, we remain committed to enhance our technical capabilities to launch higher value added stamping machines through our research and development.”

Mr Wu also announced that World Precision Machinery has proposed an interim dividend of RM0.125 per share to its shareholders for the financial year ending 31 December 2015.

The Group's order book as at 7 November 2015 stood at RMB73.1 million.

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¹<http://www.straitstimes.com/business/economy/china-gdp-growth-falls-to-69-in-q3-just-above-expectations>

²<http://www.investopedia.com/articles/investing/102315/china-cuts-rates-6th-time-12-months.asp>

About World Precision Machinery Limited

Based in Danyang City, Jiangsu Province, PRC, World Precision Machinery Limited (“World Precision” and together with its subsidiaries, the “Group”) is a manufacturer of stamping machines and related components. The Group manufactures both standard and customised stamping machines to suit the needs of a myriad of industries, including automotive, electronics and white goods.

With its vertically integrated operations, customers are assured of quality products and timely reactions to changes in their demands. World Precision has established sales network and service centre in large- and medium-sized cities across the PRC and products are exported to Southeast Asia, Europe, South America and South Africa.

World Precision currently manufactures around two hundred models of stamping machines which are classified into more than 20 product series. Its stamping machines are primarily marketed under the “World” trademark, divided into Conventional, High Performance and High Tonnage stamping machines.

Its latest range of products includes bending, cutting and CNC punching machines. Its products have been recognised in 2009 as “Jiangsu Trustworthy Quality Products”, while its subsidiary – World Precise Machinery (China) Co., Ltd has been awarded “Trustworthy to customers for 2009” by Danyang Consumer Association. It was awarded the ISO 9001:2000 for its quality management efforts since 2003.

Issued for and on behalf of World Precision Machinery Limited

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沃得精机有限公司

(Company Registration Number: 200409453N)

即时公告

沃得精机 9M2015 净利达到 至人民币 3,246 万元

- 9M2015 销售额下降 33.1%至人民币 4.35 亿元，源于冲压机销量和平均销售价格的下降
- 毛利率因较低的原材料成本而提升 0.5 个百分点至 31.3%
- 集团将专注于集团的研发能力，以创新新产品及提升现有的产品质量

新加坡，2015 年 11 月 13 日 - 新交所主板上市公司沃得精机有限公司（“沃得”及其子公司，或“集团”），中国精密冲压机械制造商，公告集团截至 2015 年 9 月 30 日止的九个月（“9M2015”）的营业额为 4.35 亿元人民币，同时净利润为 3,246 万人民币。

集团于 9M2015 的营收同比下降了 33.1%，主要是因冲压机销售量和平均价格的下降，其中，传统冲压机和高性能高吨位冲压机在 9M2015 度分别同比下降了 36.6%和 35.6%。

财务摘要

人民币 (百万)	9M2015	9M2014	% Chg%
营业额	434.9	649.9	(33.1)
毛利	136.3	200.3	(32.0)
毛利率 (%)	31.3%	30.8%	0.5 pp
净利	32.5	75.0	(56.7)
净利率 (%)	7.5%	11.5%	(4.0) pp
稀释后每股收益* (RMB)	0.08	0.19	(57.9)

*据 9M2015 和 9M2014 的加权平均股数 400,000,000 股普通股计算。

随着营收的下降，集团于 9M2015 的毛利也从 9M2014 的 2.003 亿元人民币同比下滑了 32.0% 至人民币 1.363 亿元。然而，整体毛利率却提升了 0.5 个百分点至 31.3%，这主要是因为原材料成本降低而局部被较低的平均单价抵消所致。普通冲压机的毛利率同比提升了 0.8 个百分点至 25.2%，然而高性能高吨位冲压机的毛利率同比下滑 0.5%至 30.7%。

随着销售的减少，分销及销售费用从 9M2014 的 4,435 万元同比减少了 14.1%至人民币 3,809 万元，此项费用主要由于员工佣金开支、运输费、差旅费，以及保修费用的减少所致。

集团的管理费用同比下降了 18.0%，由 5,590 万元降至 4,582 元。该项费用减少的原因主要是冲压机研发成本的降低，但被员工相关的费用部分抵消。

9M2015 的财务费用同比增长了 219.0%至人民币 1,203 万元。这是由于沈阳工厂的建设而产生的利息支出自 2Q2014 起没有进行资本化，另一部分源于对应收账款目的偿还所产生的利息支出。

前景展望

中国第三季度的经济增速放缓至 6.9%，是自 2009 年以来表现最差的一个季度¹。为了重振经济，中国政府于 12 个月内第六次下调利率和存款准备金率²。鉴于当前严峻的商业环境，集团也将面临挑战。

对于中国经济和集团未来发展和战略，首席执行官，吴玉芳先生对此评论，“**2015 年 9 月的工业生产增速年同比下滑至 5.7%，低于分析师预期的猜测。制造业疲软导致企业削减资本货物的投资，集团的新订单也因此而减少。**

尽管如此，我们认为在十三五规划提出的到 2020 年国内生产总值和城乡居民人均收入比 2010 年翻一番将对宏观经济起到正面作用。随着人均可支配收入增长的支撑，未来国内消费也将继续推动中国经济，这将刺激资本品的投资，但这些机会将需要一段时间才会转化为集团真正的商机。

我们也参与了‘**2025 苏南计划**’。其计划是长达十年的时间来提高国家的制造能力，把焦点放在包括高端数控设备和机器人等 10 个行业上。这将使公司收益。

在此期间，我们将继续致力于提高我们的技术能力，通过我们的研发继续推出高附加值的冲压机。”

吴先生也公布了公司提议派发截至财政年 2015 年 12 月 31 日中期股息以每股人民币 12.5 分给股东。

截止于 2015 年 11 月 7 日，本集团的未发货订单达人民币 7,310 万元。

- 完毕 -

¹ <http://www.straitstimes.com/business/economy/china-gdp-growth-falls-to-69-in-q3-just-above-expectations>

² <http://www.investopedia.com/articles/investing/102315/china-cuts-rates-6th-time-12-months.asp>

关于沃得精机有限公司

沃得精机有限公司（“沃得”，及其子公司“集团”）位于中国江苏省丹阳市，是一家冲床及相关部件制造商。集团生产标准化和定制化冲床，以适应许多行业的需求，包括汽车、电子和白色家电。

集团拥有的垂直综合业务运作，使客户确保能根据他们需求的变化，获得优质产品和及时的反应。沃得已经在中国许多大中型城市建立了销售网络和服务中心，产品甚至出口至东南亚，欧洲，南美和南非。

沃得目前生产 20 多个系列，大约 200 种类型的冲床。它的冲床主要以“沃得”商标进行销售，可分为传统型、高性能型和大吨位型。

其最新系列的产品包括弯曲、切割和数控冲床。产品被评为“2009 年江苏质量信得过产品”。子公司沃得精机（中国）有限公司获丹阳消费者协会“2009 年客户信赖奖”。从 2003 年起，获得 ISO9001: 2000 质量管理认证。

如有垂询，请联系

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