

COMPANY PRESENTATION

3Q2015/9M2015



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WORLD



FORWARD-LOOKING STATEMENTS



This presentation contains forward-looking statements which can be identified by the context of the statement and generally arise when the Company is discussing its beliefs, estimates or expectations. Such statements may include comments on industry, business or market trends, projections, forecasts, and plans and objectives of management for future operations and operating and financial performance, as well as any related assumptions.

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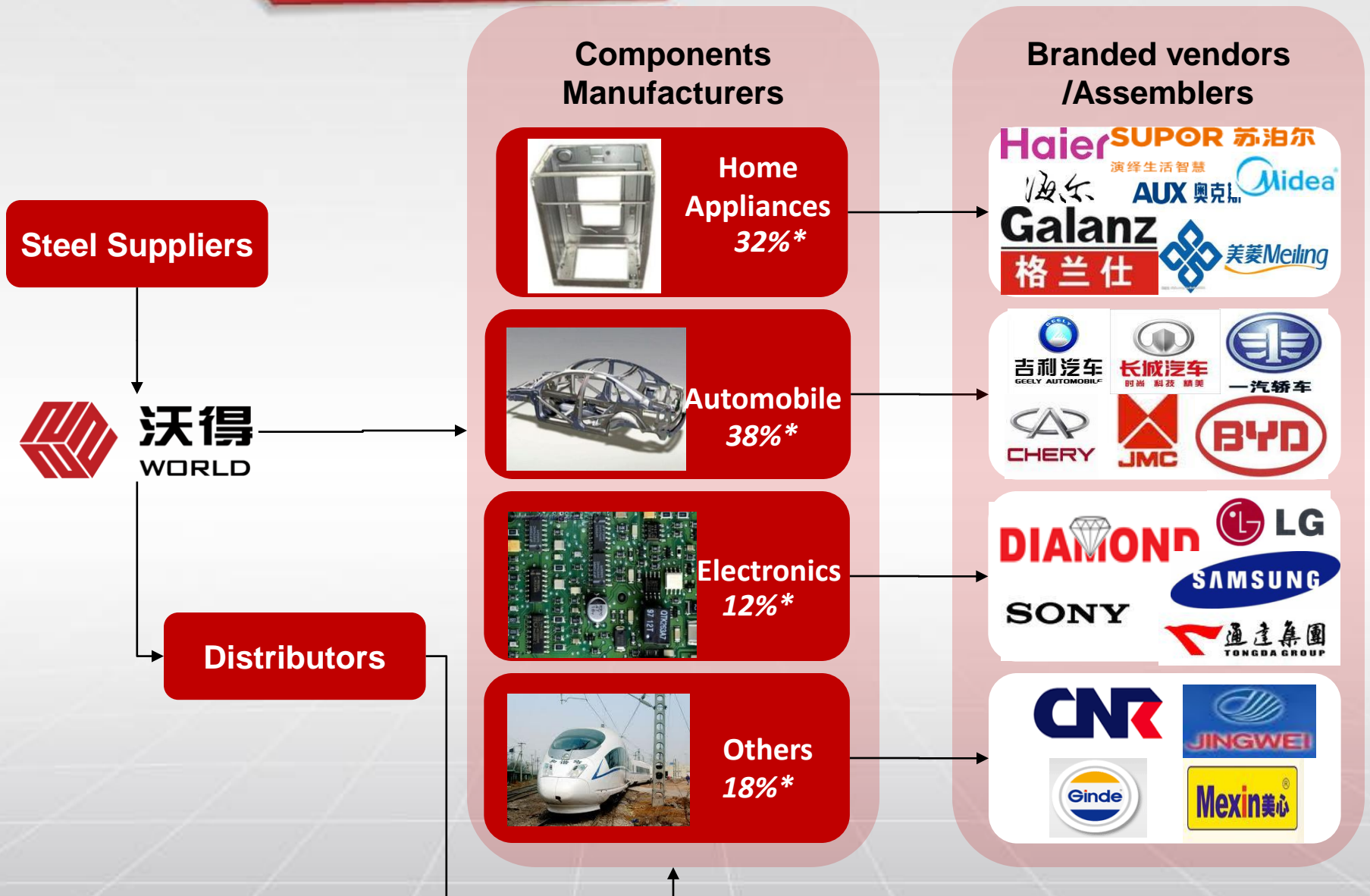
Investment Merits

CORPORATE PROFILE



- Top 3 integrated manufacturer of precision metal stamping machines in the PRC
- Strategically located in Jiangsu Province, close to Yangtze River Delta manufacturing hubs
- Major supplier to Chinese automobile, home appliances and electronics sectors
- Listed on SGX since April 2006, track record of paying dividends for past years

BUSINESS MODEL



* Based on FY2014 revenue

DIVERSE CUSTOMER SPREAD



Jilin



Shandong
Haier
海尔

Jiangsu



Anhui / Zhejiang



Chongqing



Guangdong



Fujian



WIDE RANGE OF PRODUCTS

- Over 200 different models of stamping machines
- Average lifespan of products: 20 years



Conventional

- Manufacturing lead time: 1 – 3 months
- Price range: RMB10,000 - 150,000
- e.g. Manually operated & simple structure



High performance and high tonnage

- Manufacturing lead time: 6 – 9 months
- Price range: RMB10,000 – 3 million
- e.g. Computerised numerical control (CNC) machine

ESTABLISHED FACILITIES

Subsidiary	Location	Completion	Products Type	Capacity Utilisation			
				FY2011	FY2012	FY2013	FY2014
World Precise Machinery	Danyang, Jiangsu	Since 1953, upgraded in 2006	Conventional and high performance	69%	60%	62%	64%
World Heavy Machine Tools	Danyang, Jiangsu	Year 2008	High performance and high tonnage	64%	43%	44%	55%
World CNC Machine Tool	Danyang, Jiangsu	Year 2009	CNC based technology	55%	57%	60%	56%
WPM Shenyang	Shenyang, Liaoning	Year 2013	High performance and high tonnage	-	-	-	4%

- Danyang currently has 6 units of High Precision Machining Equipment from PAMA Group of Italy in operations
- Shenyang currently has 2 units of High Precision Machining Equipment from PAMA Group of Italy in operations

HIGH BARRIERS TO ENTRY

- Estimated capex of RMB200 million at current prices to set up a typical equipment manufacturing plant of 20,000 sqm
- Capex of about RMB1.098 billion already spent over 1953-2014 to build the Group's existing plants; Current replacement cost of the plants is about RMB2 billion
- 2 years qualification process for automotive sector and high end machining equipment
- Engineering skills and talent



➤ Products conform to various quality standards



2010 Jiangsu Province Renowned Product



ISO14001:2004



GB/T28001-2001



ISO9001:2008



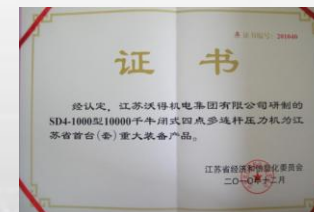
China Top 100 overseas invested enterprise



Enterprise Technology Centre of Jiangsu Province in Year 2008



Leading Enterprise in China's industrial sector from 2005 to 2009



Jiangsu Province First Major Equipment in Dec 2010



Recognised as High-Tech enterprise in Jiangsu Province since year 2007

EXPERIENCED MANAGEMENT TEAM



Mr. Shao Jianjun

- Executive Chairman
- Senior Machinery Professional Engineer
- >35 years in stamping machine industry
- Exec MBA from CEIBS in 2007

Mr. Wu Yufang

- Executive Director & CEO
- in charged of overall operations of the Group
- > 20 years in stamping machine industry

Ms. Jiang Hongdi

- Executive Director
- China CPA
- In charge of overall Finance operations
- > 10 years in stamping machine industry

Mr. Zheng Yulin

- Chief Technology Officer in charged of product development
- > 20 years in stamping machine industry
- Diploma in Machinery Engineering from Wuxi Light Industry Institute

Mr. Tao Guoyuan

- Chief Marketing Officer & GM of WPM Marketing Co
- > 10 years in stamping machine industry
- overall responsibility for marketing and sales for the Group

Mr. Samuel Ng Keong Khoon

- CFO
- ACCA and Associate member of CPA Singapore
- > 10 years International accounting experience

FINANCIAL HIGHLIGHTS



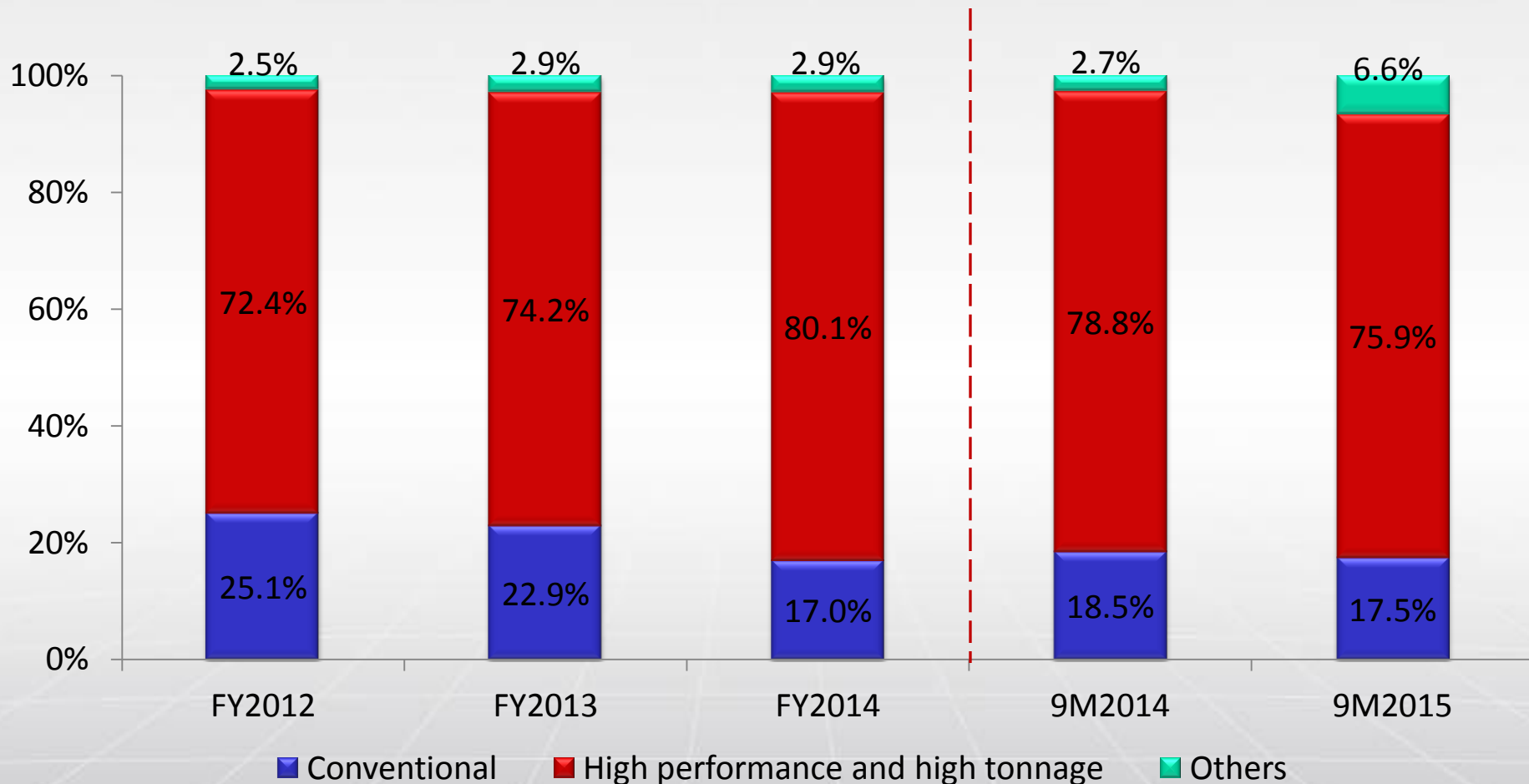
Revenue (RMB '000)



GROWING HIGH-END CONTRIBUTIONS

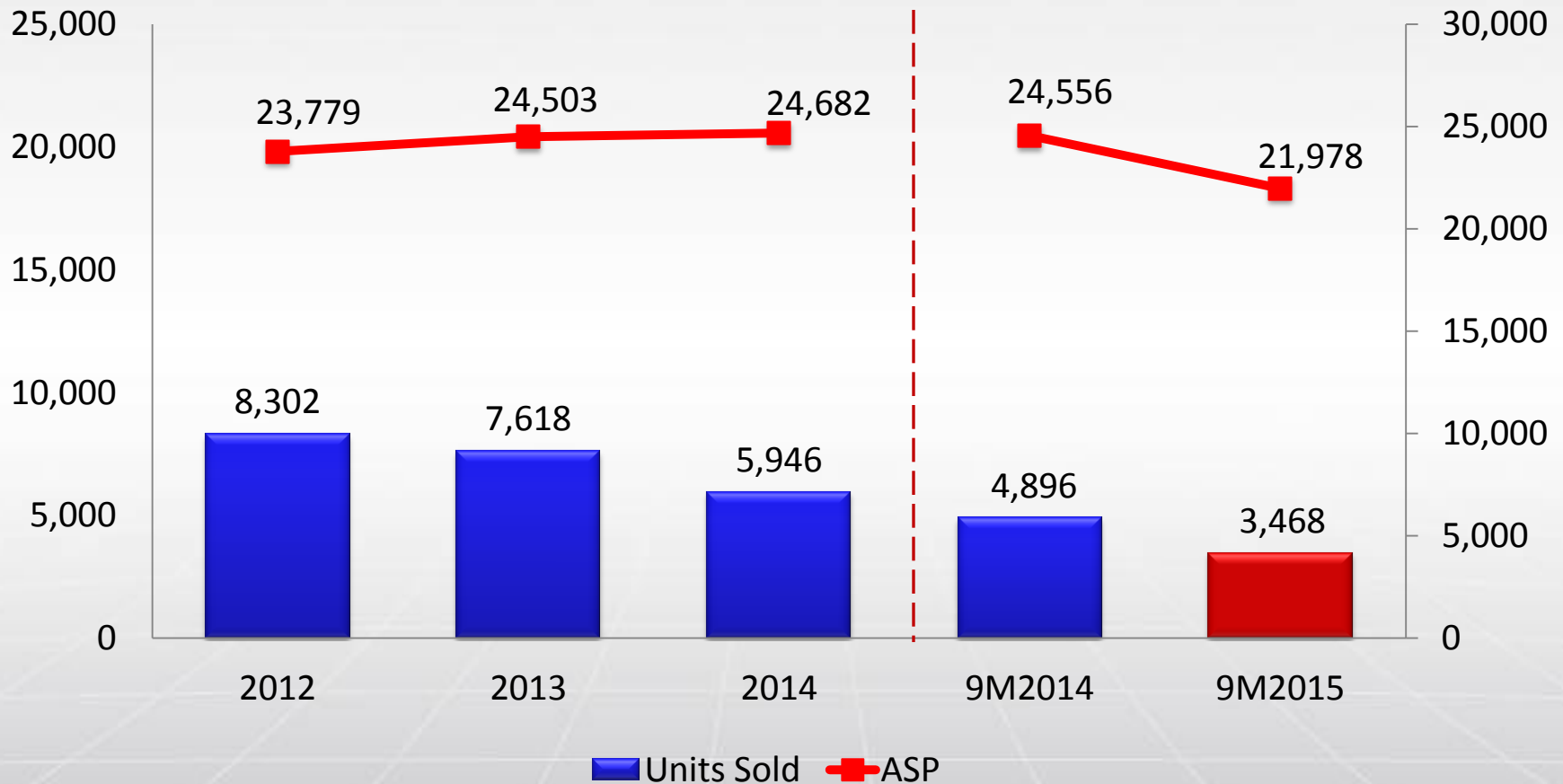


Change In Sales Mix



CONVENTIONAL STAMPING MACHINES

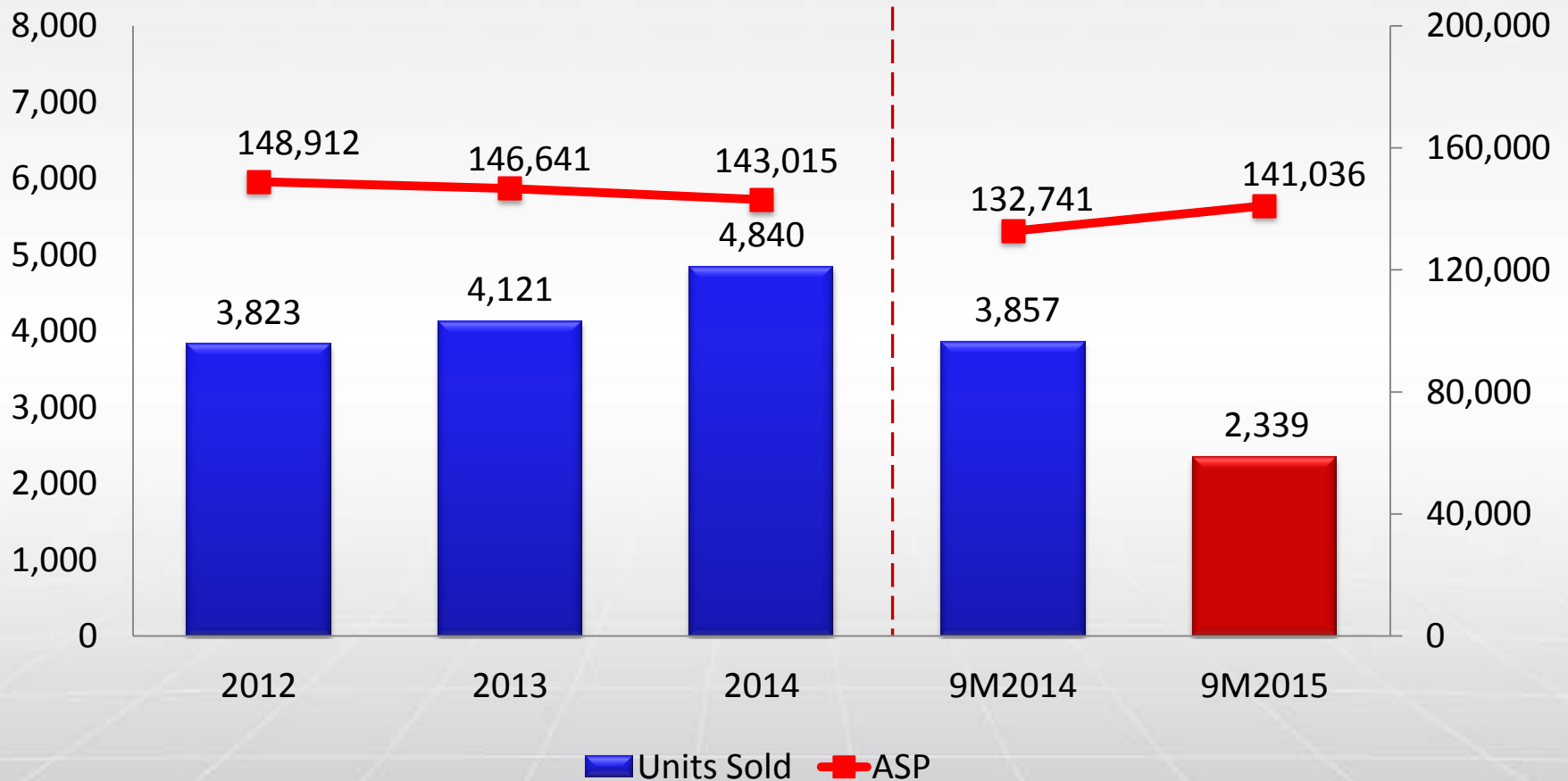
Sales Volume (Unit) & ASP (RMB/Unit)



HIGH TONNAGE/ PERFORMANCE MACHINES



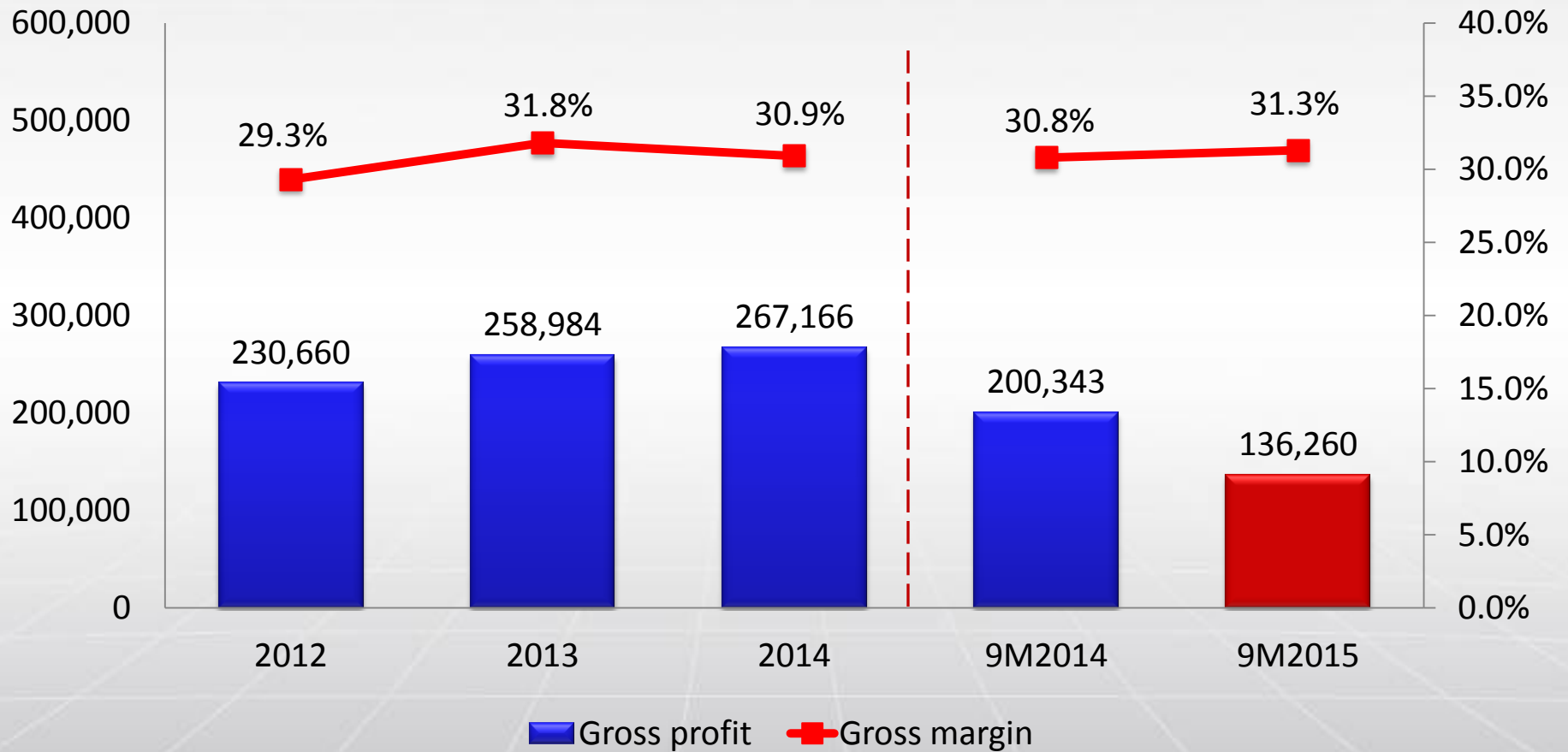
Sales Volume (Unit) & ASP (RMB/Unit)



GROSS PROFIT AND MARGIN

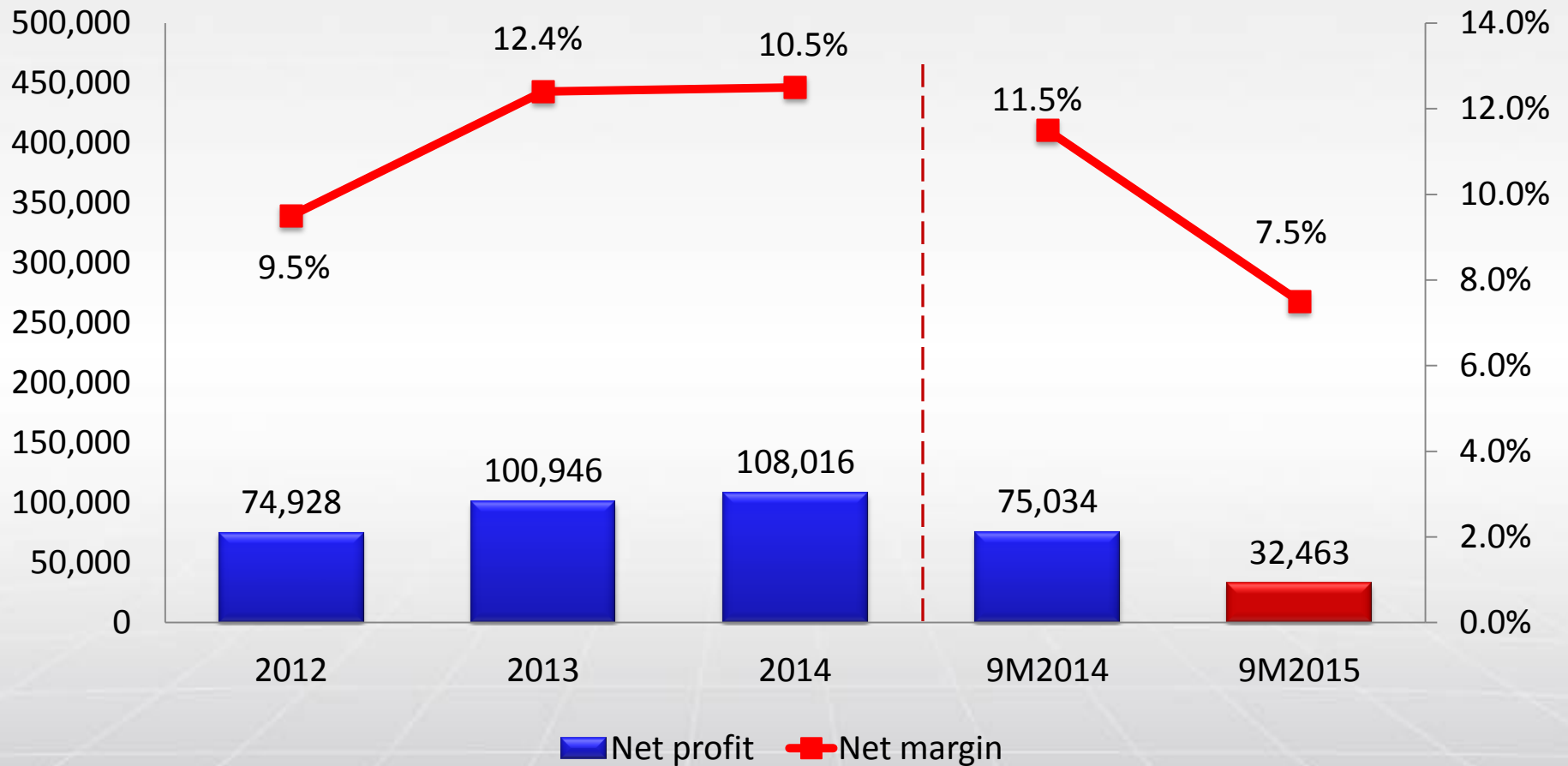


Gross Profit (RMB '000) & Gross Margin (%)



NET PROFIT AND MARGIN

Net Profit (RMB '000) & Net Margin (%)



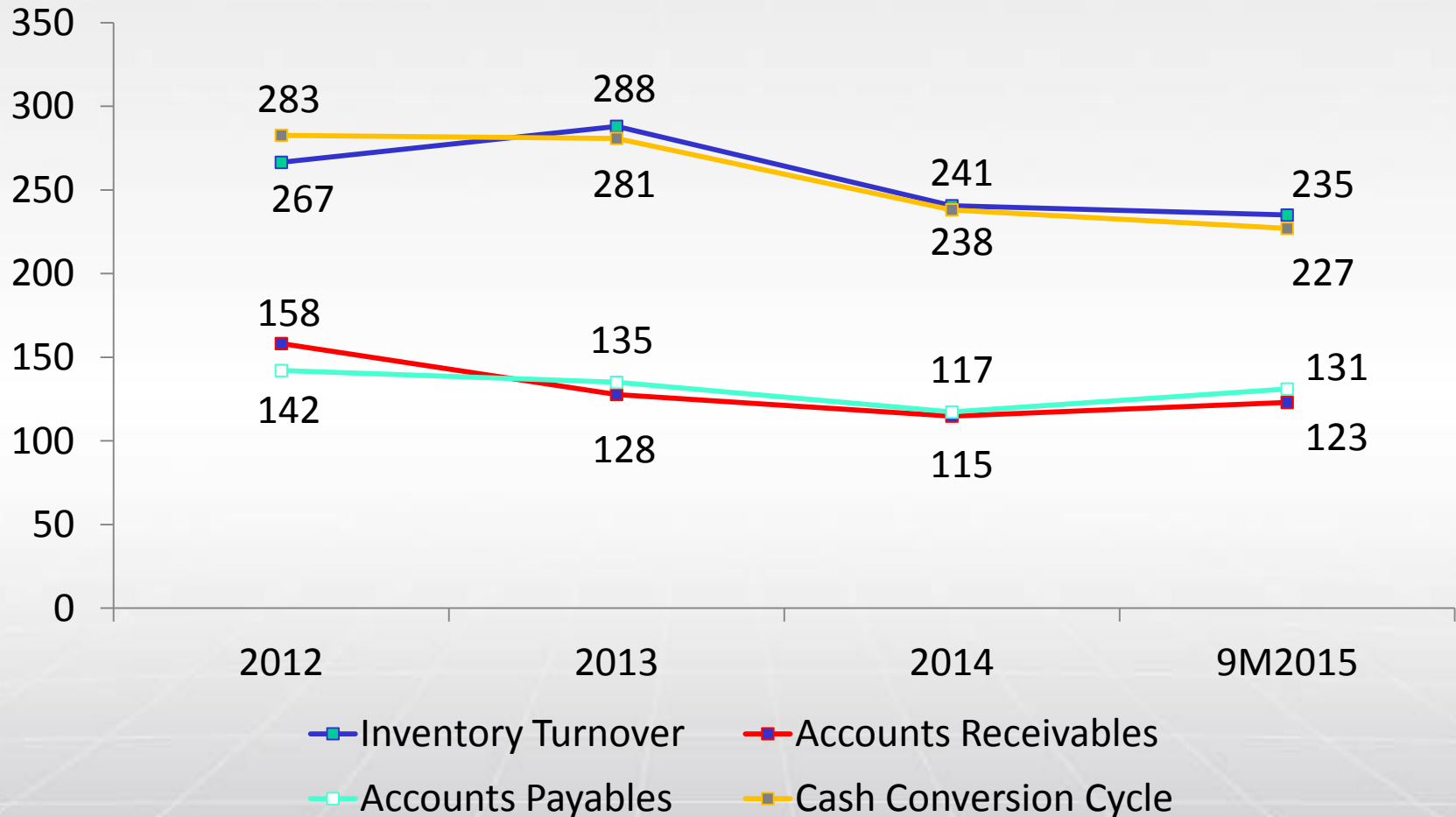
HEALTHY FINANCIAL POSITION



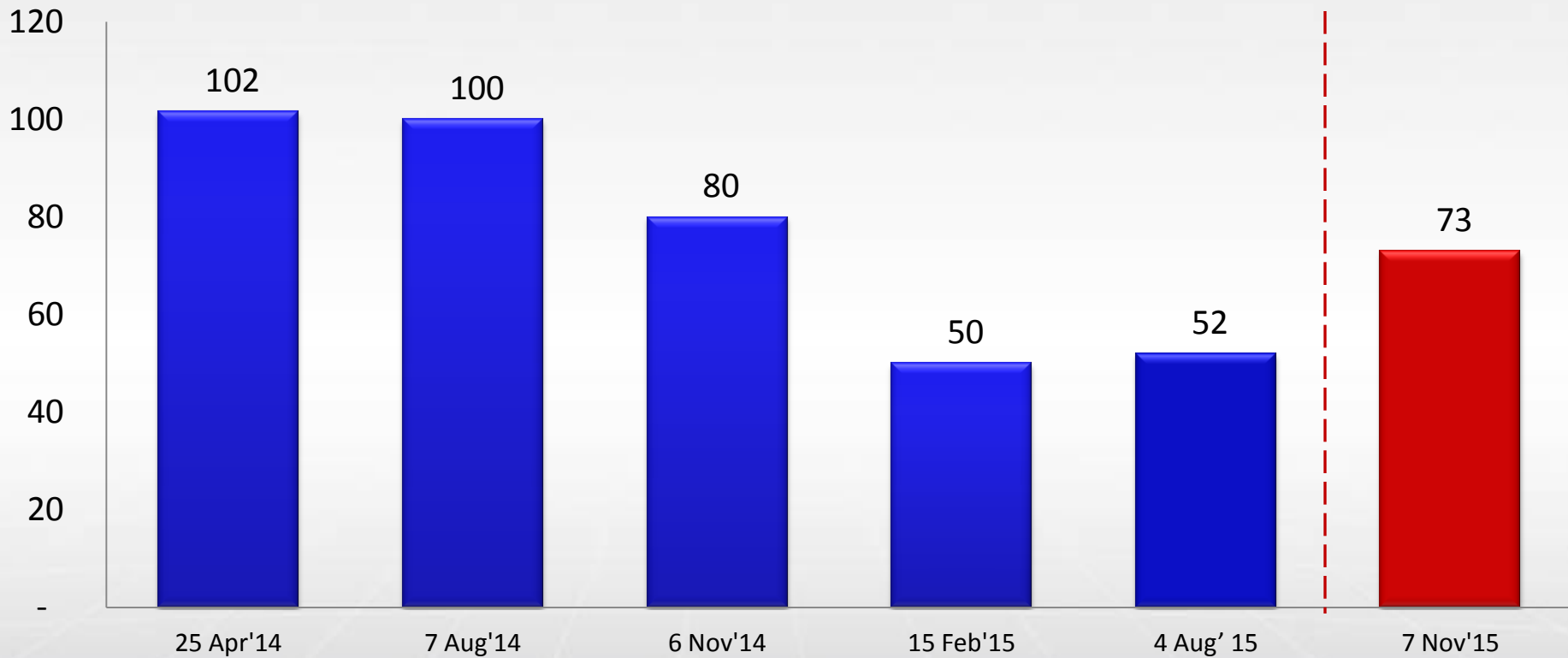
(RMB'000)	As at 30 September 2015	As at 31 Dec 2014
Total assets	1,625,319	1,665,571
- Cash & bank balances	37,765	50,916
- Inventories	375,308	347,792
- Trade receivables	248,235	300,980
- Property, plant and equipment	728,562	764,895
Total liabilities	523,338	556,942
- Trade payables	218,840	185,455
- Bank loans	165,000	235,000
Total equity	1,101,981	1,108,629
Net gearing Ratio	11.5%	16.6%

TURNOVER DAYS

Turnover Days



Order Book (RMB 'Million)



INDUSTRY OUTLOOK



➤ **China exempts electric cars from 10% Purchase Tax (July 2014)**

- electric cars, plug-in hybrids and fuel-cell vehicles will be excluded from the levy till the end of 2017
- China aims to put 5 million “new-energy” vehicles on the road by 2020

Source: Bloomberg, <http://www.bloomberg.com/news/articles/2014-07-09/china-to-exclude-electric-cars-from-purchase-tax-amid-smog-fight>

➤ **Implementation Scheme of Energy-Efficiency Leader System (February 2015)**

- Encourage leading appliance makers to invest more resource towards development of higher energy-efficiency product.
- Products falling under the program are room air-conditioners, refrigerators, front-loading washing machines and flat-panel TVs that use inverter technology.

Source: Eco-Business, <http://www.eco-business.com/press-releases/program-aims-to-promote-energy-efficiency-in-chinas-home-appliances/>

› **One Belt One Road Initiative strategy (March 2015)**

- › Strengthen China's links with South-east Asian countries, Africa and Europe
- › Railway industry is a new growth engine for exports
- › Focus on more 10 railway projects, including Laos, Thailand, Hungary, Serbia, Russia, Tanzania and Zambia.

Source: <https://www.fidelityworldwideinvestment.com/static/pdf/nordic/2015-03-20%20One%20Belt%20One%20Road.pdf>

› **“Made in China 2025” plan (May 2015)**

- › a 10-year plan for upgrading the nation's manufacturing capacity
- › The Ministry of Industry and Telecommunication Technology (MIIT) put the focus on 10 sectors, including high-end computerized machinery and robotics, aerospace equipment, renewable-energy cars and biological medicine.

Source: <http://www.dw.com/en/made-in-china-2025-the-next-stage-of-chinas-economic-rise/a-18490377>

GROWTH STRATEGIES



GROWTH STRATEGIES

**Vertically
Integrated
Business Model**

**Moving Up The
Technology Ladder**



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**Technical Alliance
With Foreign
Companies**

**Geographic
Expansion**

- **In-house design and manufacturing**
 - Capabilities to design about 90% of equipment produced
 - Over 200 R&D and technical staff in Danyang , and R&D expenditure typically takes up 2.5% of sales
 - Margin improvement with in-house design

- **Bulk purchase of steel at competitive prices**
 - Place order at Group level & short delivery time
 - Price locked in upon contract signing
 - Steel takes about 80% of cost of goods sold

- **Long-term relationship with a few vendors to maintain lower logistics costs**

MOVING UP THE TECHNOLOGY LADDER

Conventional

High Performance

Products



- Conventional Products
- simple structure

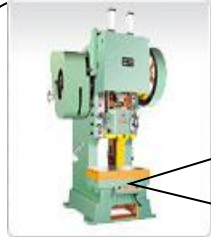


- High performance products
- Higher Efficiency
- 2 points / pistons



- More High performance products
- 4 pistons

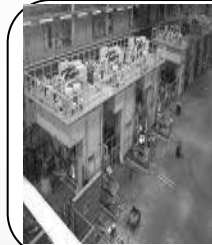
Tech



- Manually Operated
- Lower tech



- Computer Numerical Control (CNC)
- High Precision



- Pressing Line Solutions
- Robotics
- Higher Precision

Tonnage



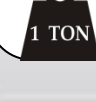
• < 300 tonnage



• 300 – 1,600 tonnage



• Up to 5,000 tonnage



TECHNICAL ALLIANCE WITH AIDA



- Technological alliance with Aida Engineering Ltd, a Japan based global manufacturer of metal stamping presses for automotive industry, since 2002
- Blue chip customers including Honda, Magna Cosma, Flextronics, Fisher Barton
- Opens doors to Japanese manufacturers eg. world's fastest stamping machine to Honda



- A Fortune-500 auto parts supplier and engineering solutions for OEM customers
- Located in Shanghai; adjacent to major markets
- **WPM has delivered 1 unit of 1,000T Ultra High-Speed Stamping Machine to Magna in December 2010**

Honda



- One of world's fastest servo-press line in automotive industry
- Located in Guangzhou
- **WPM has selected by Aida as partner after rigorous process, and helped to set up China's only production line in March 2011**

SHENYANG NEW PLANT

	Area (m2)	Estimated capex (RMB 'Mil)	Designed annual output value (RMB 'Mil)	Commence construction	Completed construction
Land acquisition	364,923	123.3	N/A	N/A	May 2011
Phase I	N/A	300-400	300	July 2011	2H2012
Phase II	N/A	100-200	300	Not yet commence	-
Total	364,923	500-700	600	-	-

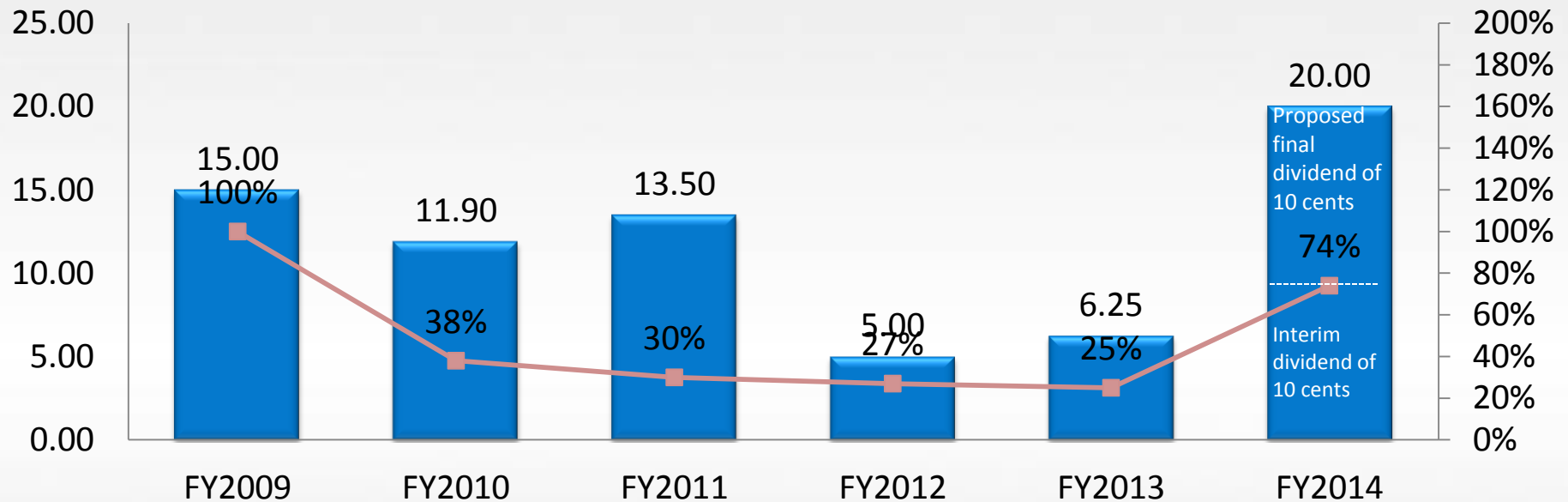
沃得精机(沈阳)有限公司 鸟瞰图



- China's top 3 largest integrated manufacturer of precision metal stamping machines
- Proxy to PRC's booming auto parts and home appliance markets
- The four-pronged strategies to further boost the Group's profitability
- Stable return with high dividend payout

CONTINUED DIVIDEND PAYOUT

Dividend payout per share (RMB 'Cent) & ratio (%)



RMB'000	FY2010	FY2011	FY2012	FY2013	FY2014
Cash and Bank Balance	62,102	41,694	145,574	35,284	50,916
Dividend Amount	47,500	54,000	20,000	25,000	80,000

* Calculated based on the weighted average number of 400,000,000 ordinary shares

THANK YOU



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