

COMPANY PRESENTATION

1Q2014



沃得
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.

Readers of this presentation should understand that these statements are not historical facts or guarantees of future performance but instead represent only the Company's belief at the time the statements were made regarding future events, which are subject to significant risks, uncertainties and other factors, many of which are outside of the Company's control. Actual results and outcomes may differ materially from what is expressed or implied in such forward-looking statements.

The Company cautions readers not to place undue reliance on any forward-looking statements included in this presentation, which speak only as of the date made; and should any of the events anticipated by the forward-looking statements transpire or occur, the Company makes no assurances on what benefits, if any, the Company will derive therefrom.

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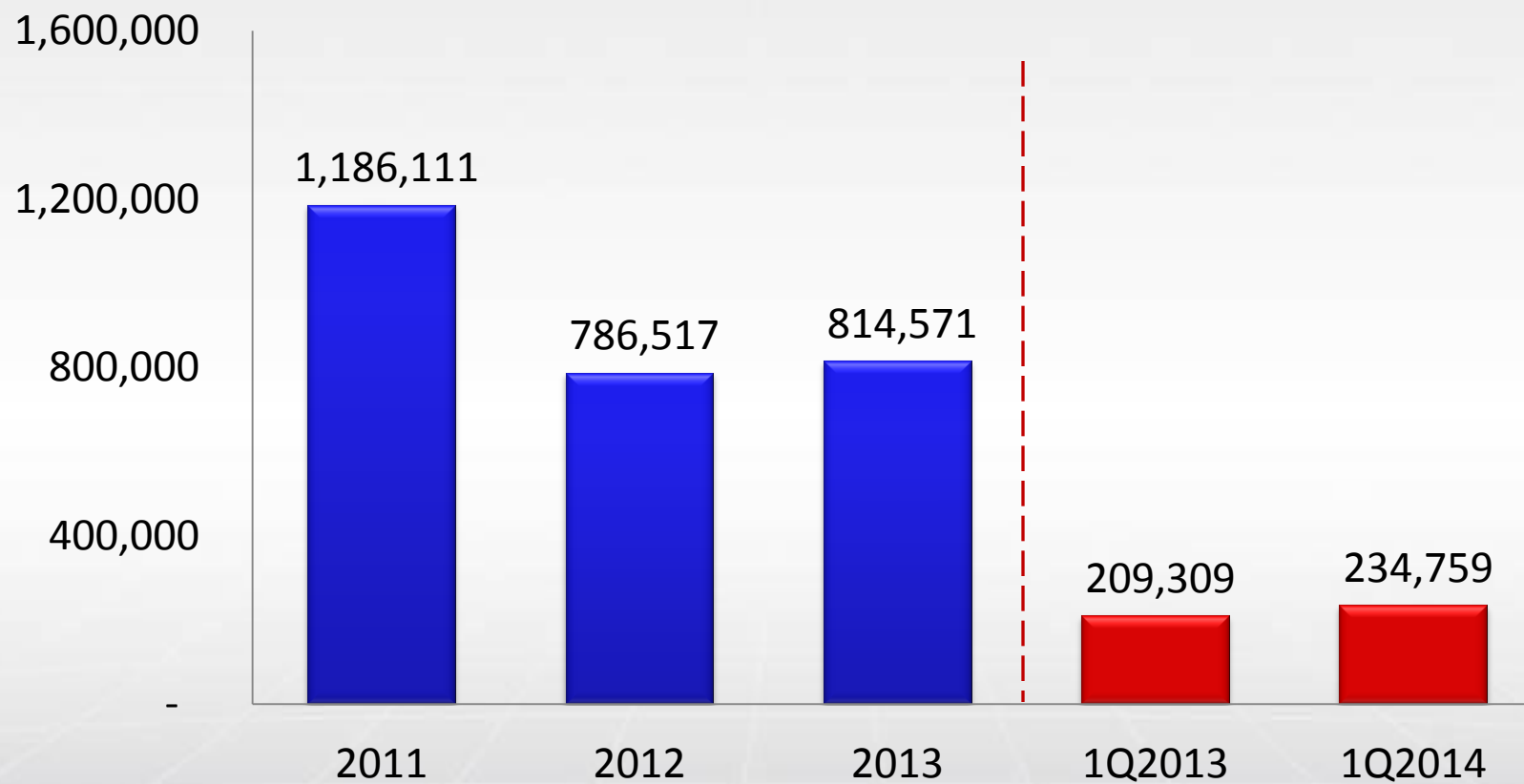


Investment Merits

FINANCIAL HIGHLIGHTS



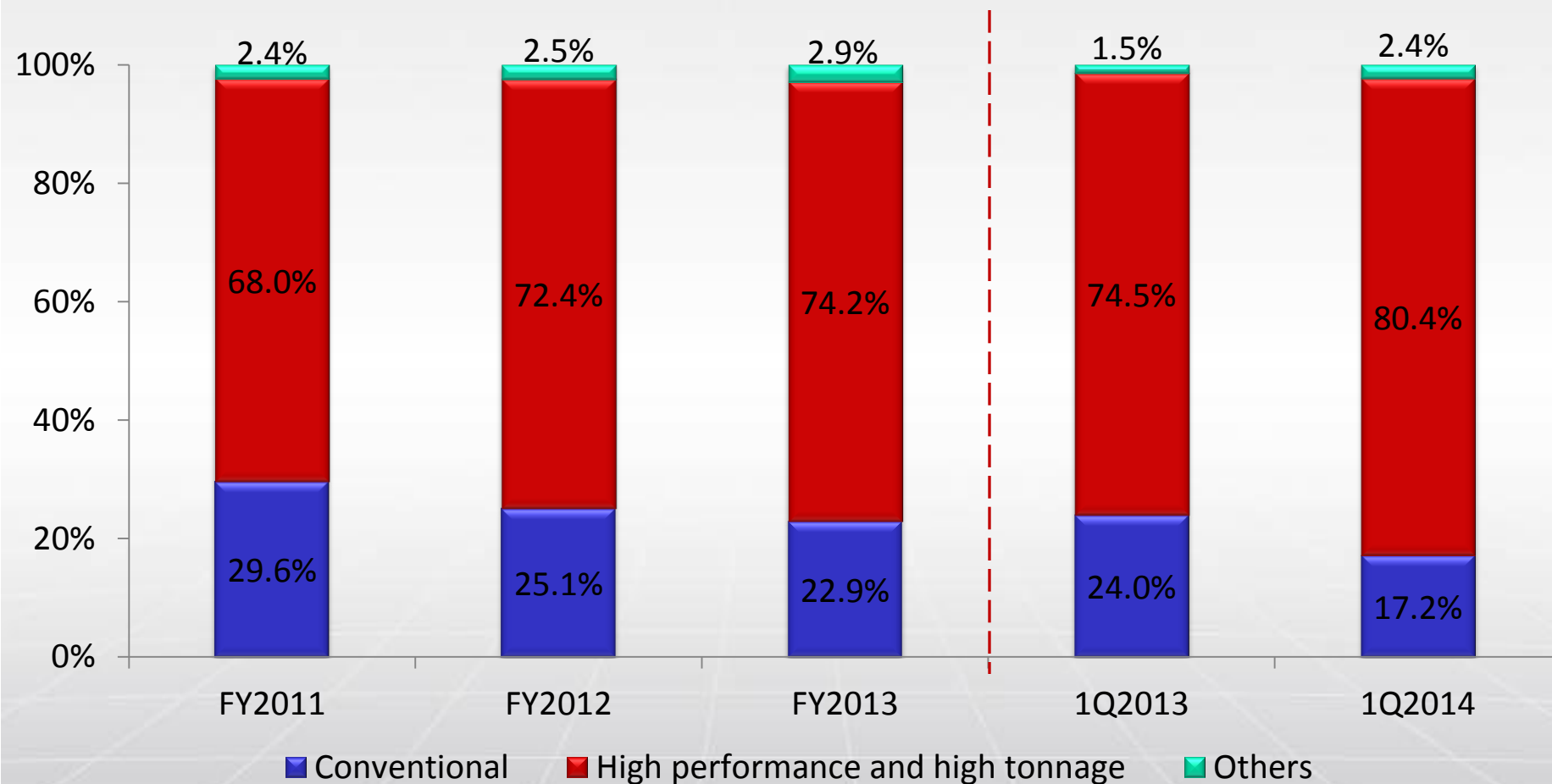
Revenue (RMB '000)



GROWING HIGH-END CONTRIBUTIONS

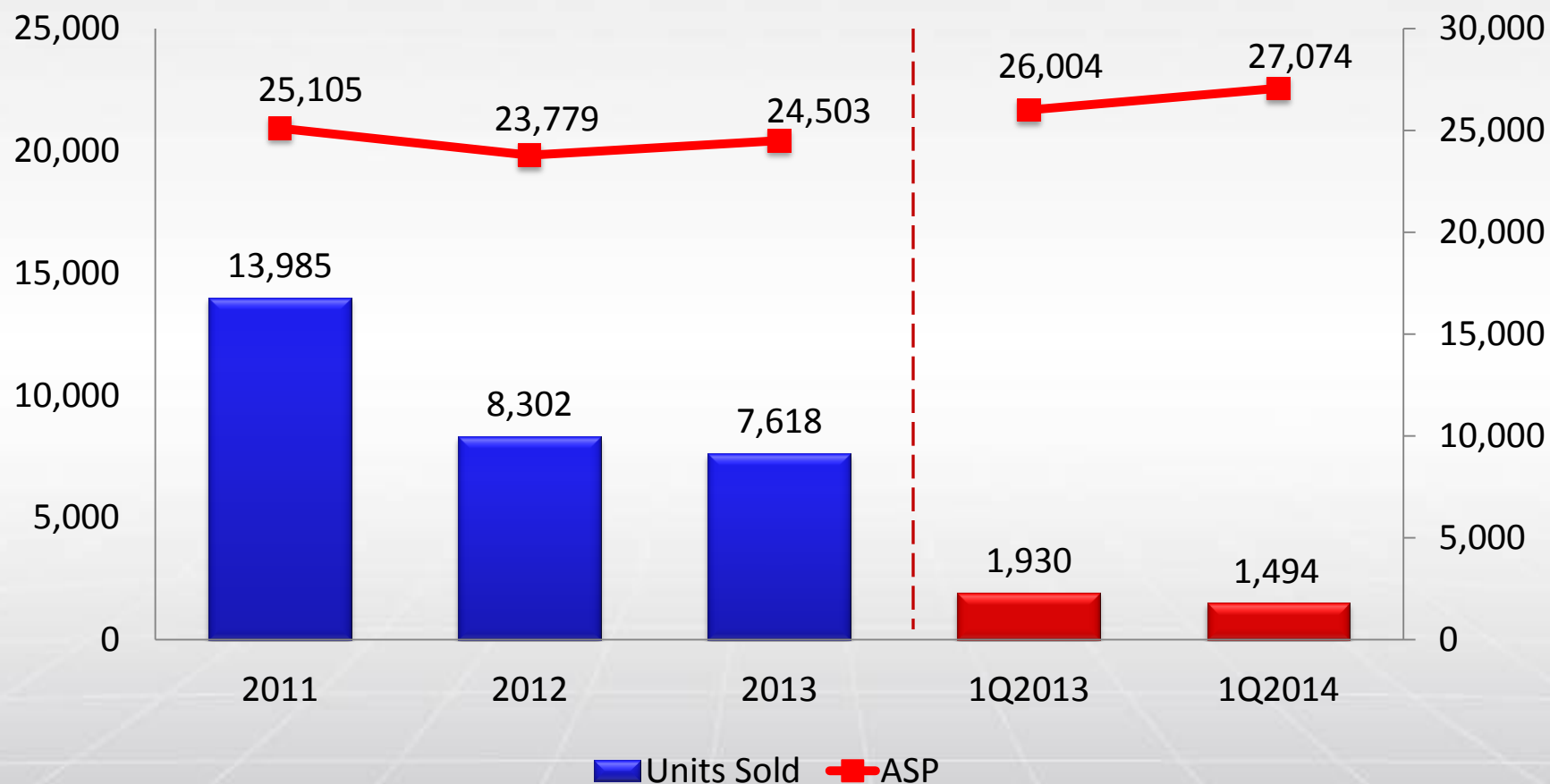


Change In Sales Mix



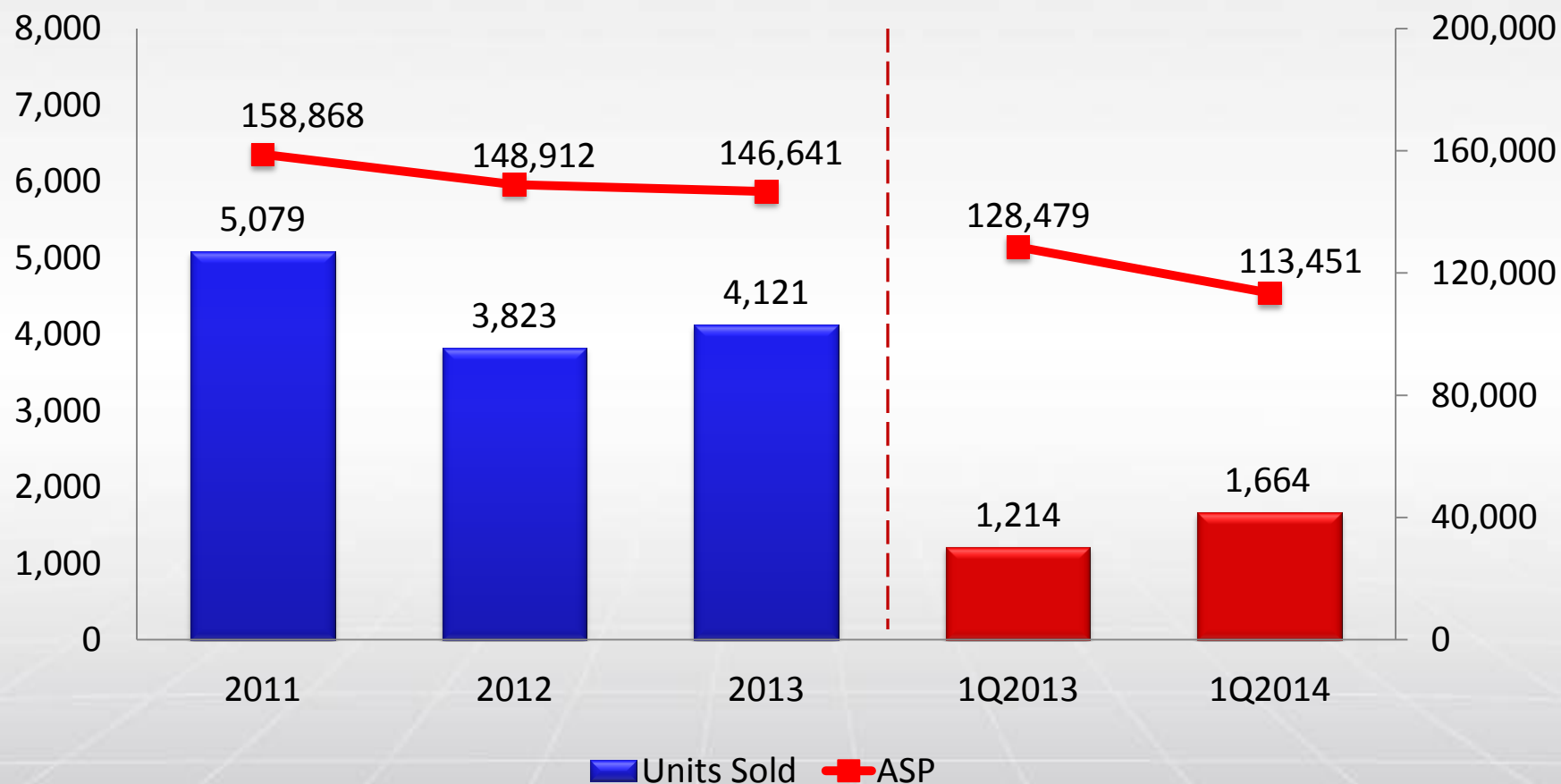
CONVENTIONAL STAMPING MACHINES

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



HIGH TONNAGE/ PERFORMANCE MACHINES

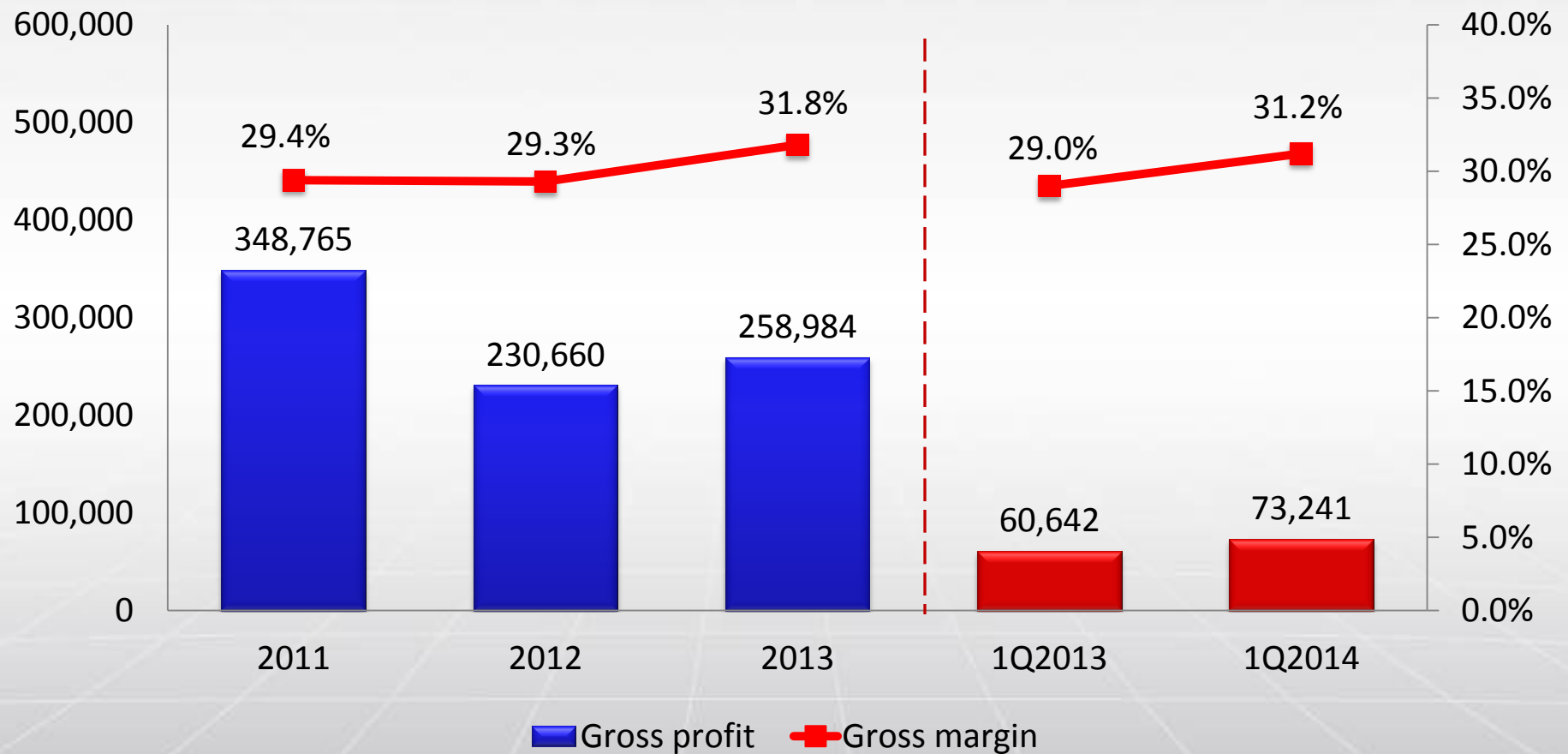
Sales Volume (Unit) & ASP (RMB/Unit)



GROSS PROFIT AND MARGIN

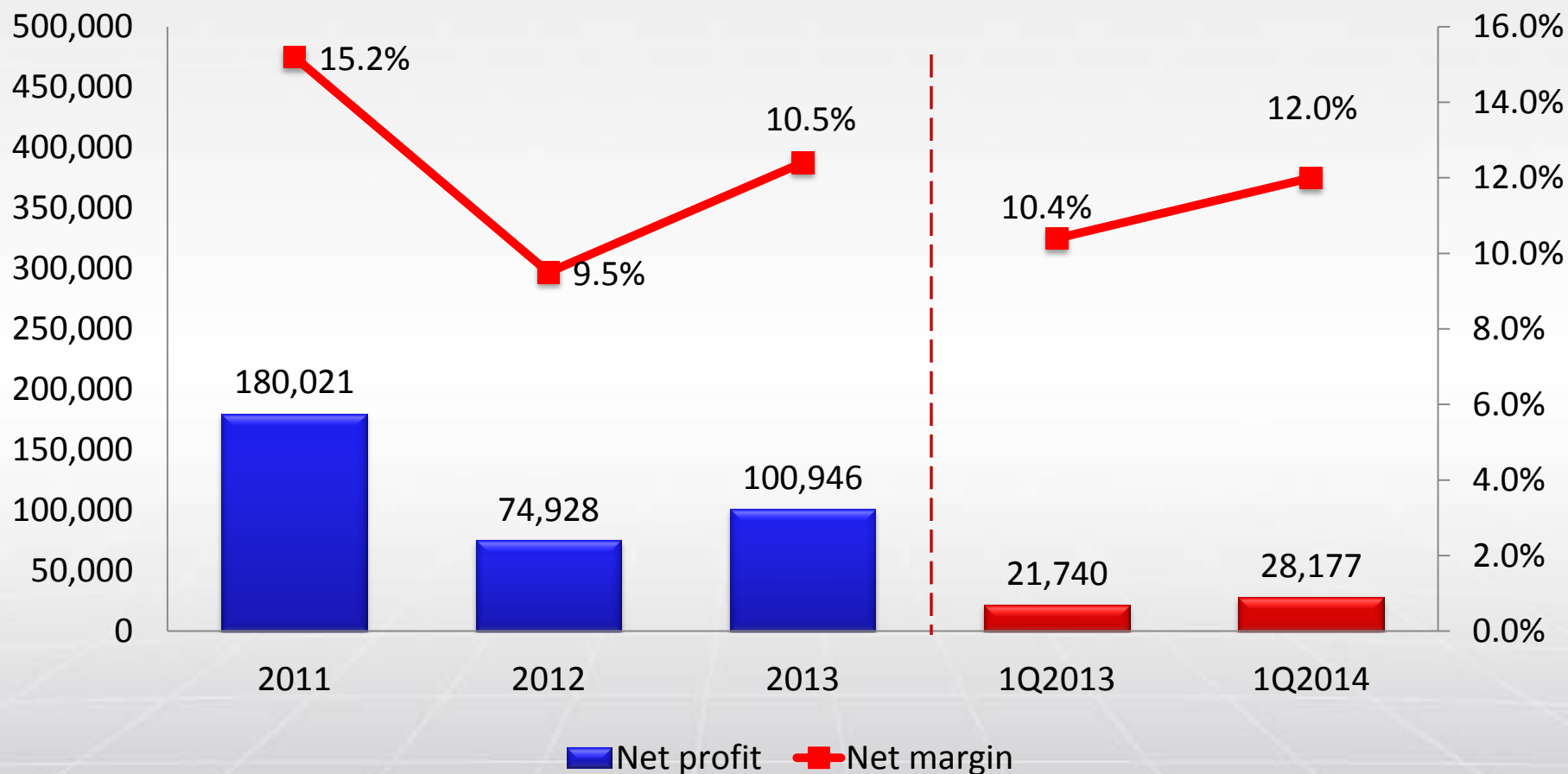


Gross Profit (RMB '000) & Gross Margin (%)



NET PROFIT AND MARGIN

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

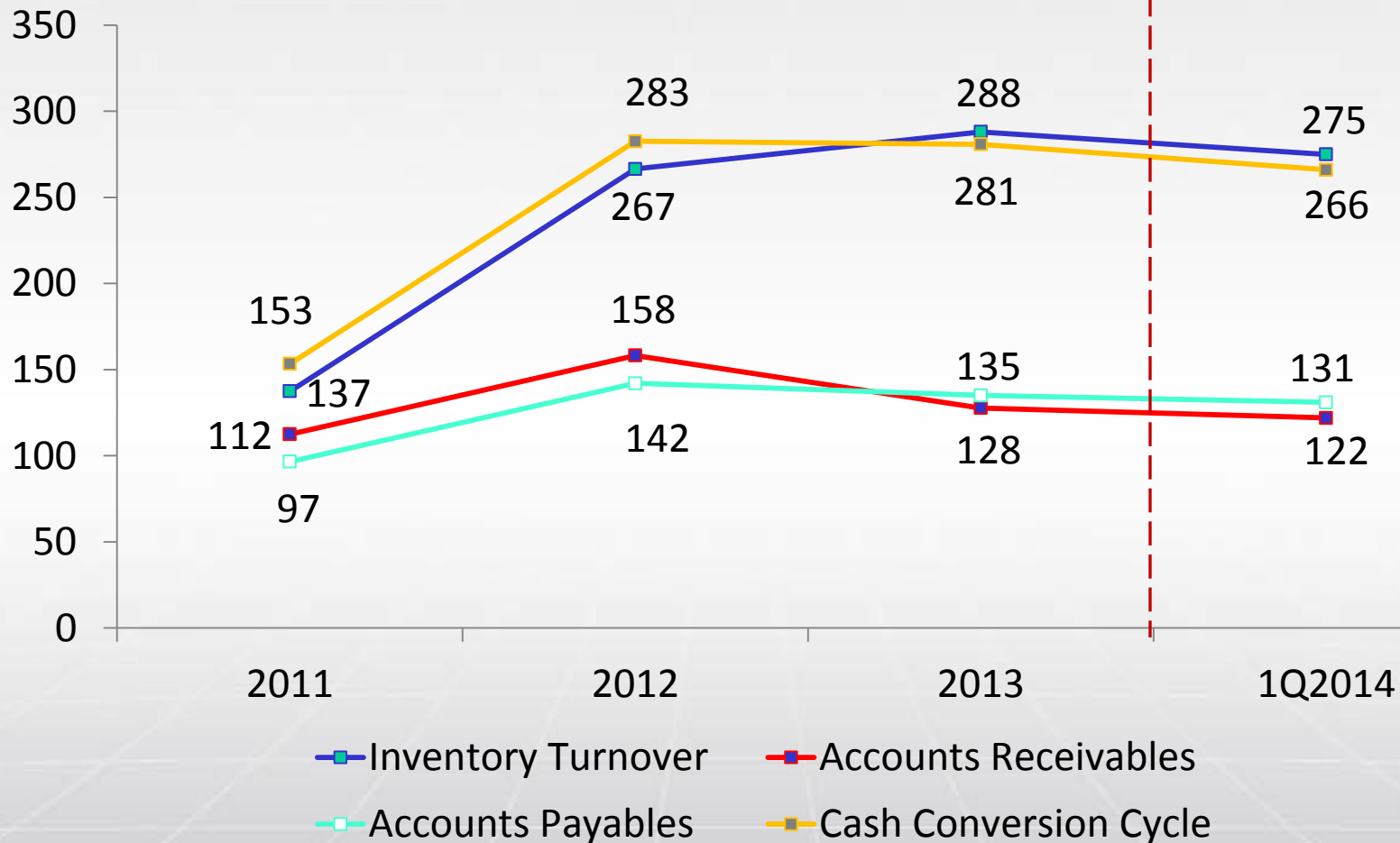


HEALTHY FINANCIAL POSITION

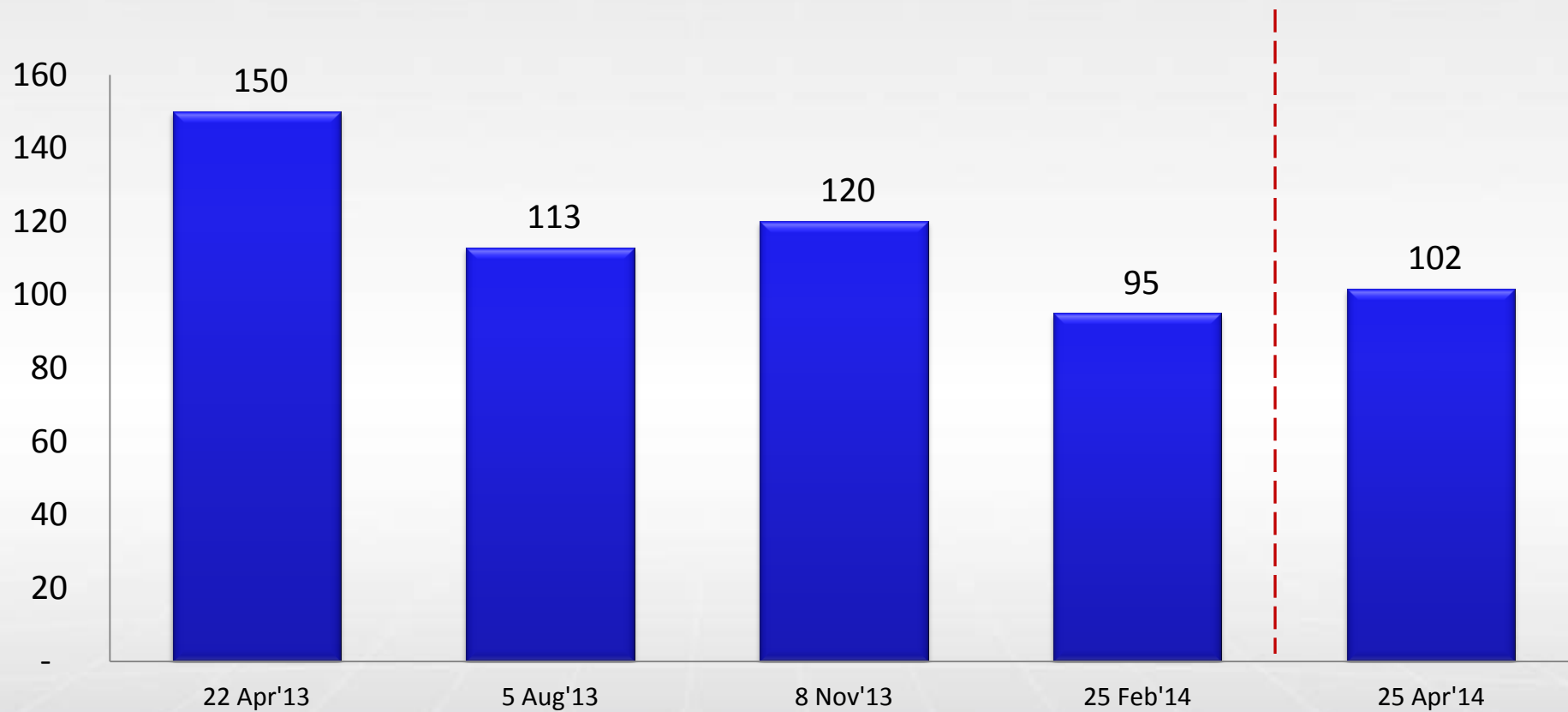


(RMB'000)	As at 31 Mar 2014	As at 31 Dec 2013
Total assets	1,763,418	1,723,668
- Cash & bank balances	28,675	35,284
- Inventories	416,673	439,351
- Trade receivables	316,909	244,888
- Property, plant and equipment	805,737	809,818
Total liabilities	669,768	658,142
- Trade payables	208,445	198,206
- Bank loans	290,000	300,000
Total equity	1,093,650	1,065,528
Net gearing Ratio	23.9%	24.8%

Turnover Days



Order Book (RMB 'Million)



INDUSTRY OUTLOOK



➤ **China to Expand High-end Equipment Sector (May 2012)**

- High-end equipment manufacturing as one of the seven “strategic emerging industries” under China’s 12th Five-year plan
- Triple sales revenue of high-end equipment manufacturing sector to RMB6 trillion by 2015

Source: People Daily, <http://english.peopledaily.com.cn/90778/7811016.html>

➤ **China “White Goods” Market: Consumers increasing desire to go green for home appliances even without the subsidies (May 2013)**

- Previous incentives reshaped consumers’ buying habits to seek even greener home appliances
- Emerging high end technology spurs demand for higher-end products

Source: China Daily, http://www.chinadaily.com.cn/cndy/2013-05/24/content_16526909.htm

➤ **China’s new round of electric car subsidies (Sep 2013)**

- Government to provide up to RMB60,000 to buyers of all-electric, “near all-electric” and hydrogen vehicles until 2015
- China aims to put 5 million “new-energy” vehicles on the road by 2020

Source: BBC, <http://www.bbc.co.uk/news/business-24140329>

➤ **China's High Speed Railway Ready for Export (Nov 2013)**

- China's high speed railway to export technology and expertise to neighbouring countries
- Beneficial to Group's further development in China's high speed railway sector along with higher investments

Source: China Daily, http://www.chinadaily.com.cna/china/2013-11/04/content_17080491.htm

➤ **China's Central Banker to Overhaul Economy (Nov 2013)**

- Championing for a more consumer-based economy to stimulate capital and increase loans available to private firms to boost foreign investments
- China's need of reforms to further promote trade and investment advantageous to raise spending in various sectors of China such as transport and railway, public infrastructure and facilities, thus driving demand for high-end equipment

Source: Wall Street Journal, <http://online.wsj.com/news/articles/SB10001424052702304200804579164003669215172>

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 83% 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

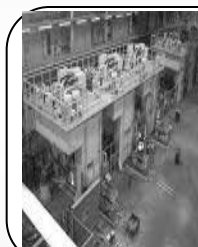
Tech



- 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**

➤ Rationale

- To tap the huge market in Northern China, especially **Bohai Rim*** (京津唐)
- Proximity to raw materials and customers will lower the raw materials and transportation costs by 5%, respectively
- Better accommodate customers' buying needs - 346 existing customers from Bohai Rim contributed **RMB 101mil** to revenue in FY2013

Location	FY2010			FY2011			FY2012			FY2013		
	No. of Customer	Sales		No. of Customer	Sales		No. of Customer	Sales		No. of Customer	Sales	
		(RMB' mil)	(%)		(RMB' mil)	(%)		(RMB' mil)	(%)		(RMB' mil)	(%)
Bohai Rim*	292	127	12%	377	174	15%	383	126	16%	346	101	12%
Jiangsu	1,127	236	23%	1,162	267	23%	948	195	25%	951	221	27%
Shanghai	299	95	9%	307	134	11%	227	61	8%	215	63	8%
Zhejiang	721	178	17%	838	201	17%	633	86	11%	585	103	13%
Guangdong	1,529	240	23%	1,492	248	21%	1,587	169	21%	1,118	163	20%
Other	374	163	16%	428	162	13%	445	150	19%	438	164	20%
Total	4,342	1,039	100%	4,604	1,186	100%	4,223	787	100%	3,653	815	100%

* Bohai Rim is the economic hinterland surrounding Beijing and Tianjin, also including areas in Hebei, Liaoning and Shandong which surrounds the Bohai Sea.

SHENYANG NEW PLANT

	Area (m2)	Estimated capex (RMB 'Mil)	Designed annual output value (RMB 'Mil)	Commence construction	Estimated complete 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	-	-
Total	364,923	500-700	600	-	-

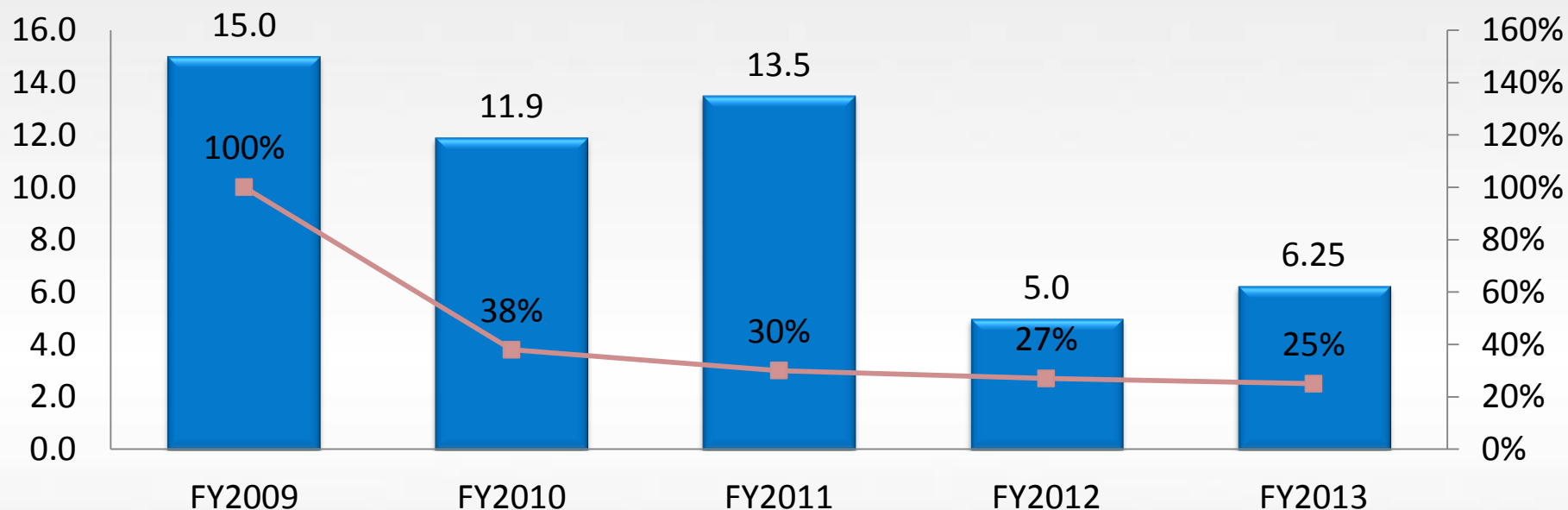
沃得精机(沈阳)有限公司 鸟瞰图



- 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	FY2009	FY2010	FY2011	FY2012	FY2013
Cash and Bank Balance	56,995	62,102	41,694	145,574	35,284
Dividend Amount	60,000	47,500	54,000	20,000	25,000

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

THANK YOU



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