

**WORLD PRECISION MACHINERY LIMITED**

(Company Registration Number: 200409453N)

**FOR IMMEDIATE RELEASE**

## World Precision Machinery reports earnings of RMB25.4 million for 1H2015

- 1H2015 revenue declined 34.7% to RMB305.2 million, due to lower sales of stamping machines and lower average selling prices
- Marginal increase in gross profit margin to 31.9% due to decrease in raw material cost offset by lower average selling prices
- The Group will continue to enhance its technical capabilities through research and development

**SINGAPORE, 12 August 2015** . SGX Mainboard-listed World Precision Machinery Limited (World Precision and together with its subsidiaries, the Group) (沃得精密机械有限公司), a manufacturer of precision stamping equipment in the PRC, reported a turnover of RMB305.2 million and a net profit of RMB25.4 million for its half year ended 30 June 2015 (1H2015).

### Financial Highlight

RMB 'Million	1H2015	1H2014	% Chg
Revenue	305.2	467.6	(34.7)%
Gross Profit	97.4	144.2	(32.5)%
Gross Profit Margin	31.9%	30.9%	1.0pp
Net Profit	25.4	55.5	(54.2)%
Net Profit Margin	8.3%	11.9%	(3.6)pp
Diluted EPS* (RMB)	0.06	0.14	-

pp: percentage points

\*Calculated based on the weighted average number of 400,000,000 ordinary shares in 1H2015 and 1H2014.

The Group's overall sales dropped 34.7% year-on-year (YoY) largely due to the decrease in sales volume and lower average selling price of stamping machines. Sales of conventional stamping machines and of high performance and high

tonnage stamping machines (HPHT) decreased by 31.2% and 38.7% respectively compared to 1H2014.

In tandem with the decrease in revenue, the gross profit for 1H2015 decreased 32.5% yoy to RMB97.4 million from RMB144.2 million for 1H2014. However, gross profit margin increased by 1.0 percentage point to 31.9% for 1H2015. In terms of the breakdown, gross profit margin for conventional stamping machines increased by 1.2 percentage points to 25.5% while that for HPHT stamping machines increased by 0.4 percentage point to 32.0% for 1H2015. The overall increase in the gross profit margin is attributed to lower raw material cost which is partially offset by the downward revision of average selling prices of stamping machines.

In line with the decreased turnover, the Group's distribution and selling expenses decreased by 24.7% to RMB23.8 million for 1H2015 from RMB31.6 million for 1H2014. This decrease was mainly due to a decrease in sales commission payable to sales personnel.

The Group's administrative expenses decreased by 17.0% to RMB30.8 million compared to RMB37.1 million for 1H2014. 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 1H2015, the Group's finance expenses recorded an increase of 242.6% to RMB8.6 million from RMB2.5 million for 1H2014 as there was no capitalisation of interest expenses of the Shenyang plant since it started its trial production in 2Q2014 and the payment of interest for early redemption of bill receivables.

The Group's tax expenses decreased by 24.5% in tandem with the decrease in profit before tax. Three of the Group's subsidiaries have been regarded as High-Tech Enterprises and enjoyed a preferential income tax rate of 15.0%.

## Outlook

Although China's economic growth remained at 7.0% in the second quarter, same as the preceding quarter, the business environment in China is expected to remain challenging. Moreover, the recent China stock market plunge and deepening problem of the corporate debt level continued to weigh on the slowing economy.

Commenting on the China's economy and the Group's growth and future strategies, Mr. Wu Yufang (吴玉芳), Chief Executive Office of World Precision Machinery says, **“We are well aware that the slower China economic growth may pose challenges to our businesses. However with the increasing per capita disposable income, the markets for automobile and smart home appliance remain robust as the consumers have greater purchasing power. Therefore, we will remain focused on building our brand through consistently innovating new products and enhancing products offerings to cater to the rising demand for automobile and smart home appliances. Furthermore, we will continue to invest in R&D capabilities to enhance our market competitiveness in this industry. Hopefully with these endeavours, we can steer through this challenging period.”**

In light of the uncertain business environment, the Group remains cautiously optimistic about the industry outlook.

The Group's order book as at 4<sup>th</sup> August 2015 stood at RMB51.6 million.

- End -

## **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.

For more information please refer to <http://wpmlimited.com/>

**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 1H2015 净利达到  
至人民币 2,544 万元

- 1H2015 销售额下降 34.7%至人民币 3.052 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价格部分抵消平均售价的降低而微升至 31.9%
- 集团将会继续通过加大研发力度来提升自身技术实力

新加坡，2015 年 8 月 12 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 6 月 30 日止的六个月（1H2015+）的营业额为 3.052 亿元人民币，同时净利润为 2,544 万人民币。

集团于 1H2015 的营收同比下降 34.7%，主要是因冲压机销售量和平均价格的下降，其中，普通冲压机和高性能高吨位冲压机在 1H2015 分别同比下降了 31.2%和 38.7%。

## 财务摘要

人民币（百万）	1H2015	1H2014	% Chg%
营业额	305.2	467.6	(34.7)%
毛利	97.4	144.2	(32.5)%
毛利率 (%)	31.9%	30.9%	1.0pp
净利	25.4	55.5	(54.2)%
净利率 (%)	8.3%	11.9%	(3.6)pp
稀释后每股收益* (RMB)	0.06	0.14	-

\*据 1H2015 和 1H2014 财年的加权平均股数计算，400,000,000 股普通股。

随着营收的下降，集团于 1H2015 的毛利也从 1H2014 的 1.442 亿元人民币同比下滑了 32.5%至人民币 9,740 万元，然而毛利率微升了 1.0 个百分点至 31.9%。其中，普通冲压机的毛利率同比上升 1.2 个百分点至 25.5%，而高性能高吨位冲压机的毛利率同比增加 0.4%至 32.0%。整体毛利率的上升主要源于较低的原材料价格部分被平均售价的降低抵消所致。

随着销售的减少，分销及销售费用从 1H2014 的 3,160 万元同比减少了 24.7%至人民币 2,378 万元，此项费用主要由于员工佣金开支的减少。

管理费用同比下降了 17.0%，由 3,715 万元降至 3,084 元。该项费用减少的原因主要是冲压机研发成本的降低部分抵消员工相关费用的增长。

1H2015 的财务费用同比增长了 242.6%至人民币 864 万元。这是由于沈阳工厂的建设已在 2Q2014 完工，因沈阳工厂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票据的提前赎回所产生的利息支出。

随着税前盈利的减少，本集团的税收支出下降了 24.5%。同时，本集团的三家附属公司都被视为高新技术企业，因而享受优惠所得税率 15%。

### 前景展望

虽然中国经济增速在第二季度依旧与前一季度一样保持在 7.0%，但是中国的经济环境预计将持续充满挑战。此外，最近的中国股市暴跌和持续上升的公司债务水平将继续拖累已缓慢的经济。

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，“我们清楚的知道，中国较慢的经济增长可能会为我们的企业带来挑战。然而，随着人均可支配收入的增加，汽车和智能家电市场会保持强劲，因为消费者有更大的购买能力。因此，我们将继续通过不断改进产品的创新和增加产品系列来打造我们的品牌，以满足汽车和智能家电产品不断增长的需求。此外，我们将继续投资于集团的研发能力，以提升集团在这个行业的市场竞争力。希望通过这些努力，我们可以捱过这艰难的时期。”

鉴于不确定的商业环境，本集团仍对行业前景持谨慎乐观态度。

于 2015 年 8 月 4 日本集团的未发货订单已达人民币 5,160 万元。

# 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。

更多信息，请登陆 <http://wpmlimited.com>

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