

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

FOR IMMEDIATE RELEASE

World Precision Machinery net profit increases 23.4% to RMB55.5 million for 1H2014

- 1H2014 sales increased 6.1% to RMB467.6 million due to higher sales of high performance and high tonnage stamping machines
- Gross profit margin increased 1.5 percentage points to 30.9% due to decrease in overhead cost and increase in production of high performance and high tonnage stamping machines
- Group to continue gaining market shares through research and development and product upgrading

SINGAPORE, 12 August 2014 – 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, is pleased to announce a 23.4% year-on-year (“yoy”) increase in net profit to RMB55.5 million on the back of a 6.1% yoy increase in revenue to RMB467.6 million for its half year ended 30 June 2014 (“1H2014”).

Overall sales for 1H2014 increased mainly due to 21.7% yoy increase in sales volume for high performance and high tonnage (“HPHT”) stamping machines from 2,366 units to 2,880 units, which was partially offset by a 25.6% yoy decrease in sales volume for conventional stamping machines from 4,473 units to 3,328 units. The increase in sales volume for HPHT stamping machines was mainly derived from an increased demand in China’s automotive and white goods industry.

Financial Highlights

RMB 'Million	1H2014	1H2013	% Chg
Revenue	467.6	440.5	6.1%
Gross Profit	144.2	129.6	11.3%
Gross Profit Margin	30.9%	29.4%	1.5 pp
Net Profit	55.5	45.0	23.4%
Net Profit Margin	11.9%	10.2%	1.7 pp
Diluted EPS* (RMB)	0.14	0.11	27.3%

*Calculated based on the weighted average number of 400,000,000 ordinary shares in 1H2014, 1H2013.

In tandem with the increase in revenue, overall gross profit for 1H2014 increased 11.3% yoy to RMB144.2 million as gross profit margin continues to improve 1.5 percentage points from 29.4% to 30.9%. Gross profit margin for HPHT stamping machines increased yoy from 30.1% to 31.6% while gross profit margin for conventional stamping machines decreased yoy from 27.1% to 24.3%. The increase in the overall gross profit margin was mainly due to a decrease in overhead cost and an increase in production of HPHT stamping machines, which was partially offset by the decrease in production of conventional stamping machines.

The Group's distribution and selling expenses was relatively flat yoy at RMB31.6 million. This translated to about 6.8% of the overall revenue for 1H2014, a 0.4 percentage point decline from 7.2% for 1H2013. Administrative expenses increased 8.9% yoy from RMB16.6 million to RMB18.0 million mainly due to an increase in staff related costs and research and development ("R&D") expenses. However, this increase was partially offset by the capitalisation part of R&D expenses for stamping machines.

The Group's other operating expenses surged 2,453.6% yoy from RMB0.3 million to RMB7.1 million due to an increase in allowance for doubtful debts and write off of bad debts. Finance expenses decreased substantially by 59.4% from RMB6.2 million to RMB2.5 million due to a gradual decrease in interest expenses as the Group paid off its bank loans gradually. These are proactive measures taken by the Group to manage and strengthen its balance sheet.

Despite a raise in revenue and gross profit, the Group's tax expenses decreased by 32.9% as the withholding tax paid was lesser due to lesser dividend paid from its subsidiaries to the holding company. In addition, three of the Group's subsidiaries have been regarded as High-Tech Enterprises and enjoyed a preferential income tax rate of 15%.

Outlook

China's economy showed signs of revival for its second quarter as GDP growth rebounded to 7.5%. Manufacturing PMI picked up, rising to an 18th-month high of 52.0 in July. However, many analysts and economists believed that this hike might be a short-term effect created by the government's stimulus program.

Commenting on effects of economy recovery on the Group's growth and future strategies, Mr. Wu Yufang, Chief Executive Officer of World Precision Machinery said, **"China's manufacturing industry is definitely reacting positively to the government's mini stimulus policies and we can see this trend through our sales figures."**

The Group will continue to improve its technical capabilities to launch higher value added stamping machines as the demand for higher-technology products rises from the booming automotive and white goods industry.

We remain optimistic about China’s automobile and smart home appliances as demand for high-tech consumer goods increases. To effectively capture the rising market demand, we have developed a new high-end stamping machine, JSG36-1000, with better precision and reliability.”

The Group is generally optimistic about the industry outlook. However, it will tread on cautiously as China’s industrial output statistics have yet to indicate a clear long-term trend.

The Group’s order book as at 7 August stood at RMB99.5 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 2014 年上半年净利增长 23.4% 至人民币 5,550 万元

- 1H2014 销售额因高性能高吨位冲压机的销售量增加，提升 6.1%至人民币 4.676 亿元
- 毛利率因间接成本降低和高性能高吨位冲压机的生产增加而提升 1.5 个百分点至 30.9%
- 集团将透过产品研发和升级换代以提升市场份额

新加坡，2014 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 2014 年 6 月 30 日止的六个月（“1H2014”）的营业额按年提升 6.1%至人民币 4.676 亿元，而净利润按年提升 23.4%至人民币 5,500 万元。

集团于 1H2014 的整体营收的增长主要是因为高性能高吨位冲压机销售量按年提高 21.7%，由去年售出的 2,366 台增至 2,880 台。但这被普通冲压机销售量的减少所部分抵销。普通冲压机销售量按年下滑 25.6%，由去年售出的 4,473 台减少至 3,328 台。高性能高吨位冲压机的销售量增加主要源自于中国的汽车和白色家电行业对产品的需求增加。

财务摘要

人民币（百万）	1H2014	1H2013	变化%
营业额	467.6	440.5	6.1%
毛利	144.2	129.6	11.3%
毛利率 (%)	30.9%	29.4%	1.5 pp
净利	55.5	45.0	23.4%
净利率 (%)	11.9%	10.2%	1.7 pp
稀释后每股收益* (RMB)	0.14	0.11	27.3%

*据 1Q2014 和 1Q2013 财年的加权平均股数计算，400,000,000 股普通股。

随着较高的营收，集团于 1H2014 的毛利同比也跃升 11.3%至人民币 1.442 亿元，而毛利率继续增长 1.5 个百分点，由 29.4%增至 30.9%。高性能高吨位冲压机的毛利率从 30.1%同比增长至 31.6%，而普通冲压机的毛利率则从 27.1%同比下滑至 24.3%。整体毛利率的增加，主要是因为间接成本降低和高性能高吨位冲压机的生产增加，局部被普通冲压机的生产减少抵消所致。

集团的营业费用同比几乎保持一致，达人民币 3,160 万元，占整体营收的 6.8%。这比 1H2013 的 7.2%减少了 0.4 个百分点。管理费用按年增加 8.9%，由人民币 1,660 万元增至人民币 1,800 万元。这主要是由于员工相关费用的上调以及研发费用的增加所致。然而，这开支的增长已因冲压机研发费用的资本化而被部分抵消。

本集团的其他营运费用同比蹿升 2453.6%，由人民币 30 万元增加至人民币 710 万元，主要由于增加呆账拨备和核销呆账所致。集团财务费用随着集团逐渐还清银行贷款，利息支出逐渐减少，从人民币 620 万元显著下滑 59.4%至人民币 250 万元。这是集团积极管理及强化其资产负债表的措施之一。

尽管收入和毛利提升，本集团的所得税费用减少了 32.9%，这主要是因子公司分红给母公司的分红减少导致代扣代缴税减少。另外，集团的 3 家附属公司都被视为高新技术企业，因而享受 15%的优惠所得税率。

前景展望

中国的经济于第二季度出现复苏迹象，GDP 增长反弹至 7.5%。7 月制造业 PMI 也回升至 52.0，创下 18 个月新高。然而，许多分析师和经济专家认为，这波增长可能是由政府的经济振兴计划创造的一个短期效应。

针对经济的复苏对于集团成长的影响及未来的战略，集团首席执行官，吴玉芳先生评论，“中国的制造业对于政府的微型刺激政策的反应绝对是正面的，我们可以从我们的销售数字看到这一趋势。

本集团将继续改进其技术能力，推出更高性价比的冲压机以满足蓬勃发展的汽车和白色家电产业对于高科技产品的需求。

我们依然看好中国汽车和智能家电产品的高科技消费品的需求。为了有效地占领市场日益增长的需求，我们开发了一个新的，具有更好的精度和可靠性的高端冲压机，**JSG36-1000。**”

本集团普遍看好行业前景。但因中国的工业产值统计数据仍没有显示一个明朗的上升趋势，所以会谨慎策划未来的商业计划。

截至 2014 年 8 月 7 日，本集团的未发货订单达人民币 9,950 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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如有垂询，请联系

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