CIMC ENRIC

[For Immediate Release]

Revenue decreased by 26.9% to RMB8,241 million for FY2015
Profit attributable to Equity Shareholders down 49.5% to RMB519 million

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(Hong Kong, 21 March 2016) - CIMC Enric Holdings Limited ("CIMC Enric", or with its subsidiaries, the "Group") (Stock code: 03899.HK) announces its annual results for the year ended 31 December 2015.

Mr. Gao Xiang, the Chairman of CIMC Enric, said, "CIMC Enric experienced a crucial year in 2015 with a range of challenges facing the sectors it engaged in. After many years of growth, the Group reported a revenue decrease in 2015. Nevertheless, it would not affect the Group's vision of becoming a world-leading manufacturer of specialised equipment and provider of project engineering services for energy, chemical and liquid food industries."

Operational Performance

The Company acquired Burg Service B.V. from its substantial shareholder, China International Marine Containers (Group) Co., Ltd., in 2015 and the Company has applied Accounting Guideline 5 issued by HKICPA to account for the acquisition. Accordingly, the comparative figures for 2014 have been restated.

Profit attributable to equity shareholders of the Company decreased by 49.5% to RMB519,194,000 (2014: RMB1,027,638,000). Basic earnings per share was RMB0.268 (2014: RMB0.531) and diluted earnings per share was RMB0.265 (2014: RMB0.195).

As a result of the weak international oil price in 2015 and natural gas pricing reform implemented by the Chinese government in recent years, the price advantage of natural gas as an alternative fuel over oil has weakened significantly in comparison with 2014. Therefore, the market demand for natural gas equipment dropped significantly during 2015, and the Group's energy equipment segment recorded a significant fall in revenue. Despite a robust growth in special tank containers' revenue, the falling demand for standard tank containers caused the chemical equipment segment to post a decrease in revenue. While the liquid food equipment segment's Chinese subsidiary posted a revenue growth for the year, this was offset by the decline in the revenue contribution by the segment's European subsidiaries which are the core operating units of the segment. The segment's European subsidiaries recorded a slight fall in revenue in Euro terms which was further exacerbated by the Euro's significant depreciation against RMB which is the reporting currency of the Group. As a result, the revenue for 2015 slipped by RMB3,025,489,000 to RMB8,241,333,000 (2014: RMB11,266,822,000). The performance of each segment is discussed below:

During 2015, the energy equipment segment's revenue fell by 37.4% to RMB3,396,808,000 (2014: RMB5,422,026,000) because of a decline in the demand for natural gas equipment in general which was caused by a deceleration in oil-to-gas projects in China as well as the attractiveness of using natural gas as an alternative fuel given the diminished price advantage of natural gas over oil during the year. In particular the sales volume of LNG trailers, on-vehicle LNG fuel tanks and LNG refueling stations saw various degrees of decrease comparing with last year. At the same time, due to increased competitive pressures, the average selling price of these products declined which also contributed to the fall in segment revenue.

The chemical equipment segment's revenue decreased by 19.9% to RMB2,709,679,000 (2014: RMB3,383,062,000) due to a fall in the sales volume of standard tank containers which more than offset an increase in demand for special tank containers during the year.

The liquid food equipment segment's revenue posted a decline of 13.3% to RMB2,134,845,000 during the period (2014: RMB2,461,734,000) mainly because of a slight decline in the revenue of the Group's European subsidiaries and the depreciation of Euro against RMB as Euro is the operating currency of the European subsidiaries which are the core operating units of the segment while RMB is the reporting currency of the Group.

Having taken into account the Group's continued business development and efforts to increase return on equity, the Board proposes to maintain a stable dividend payout ratio for the year 2015. The Board recommends a final dividend in respect of 2015 of HKD0.100 (2014: HKD0.195) per ordinary share payable in cash on or about 20 June 2016 to shareholders whose names appear on the register of members of the Company on 31 May 2016, subject to shareholders' approval in the forthcoming annual general meeting on 20 May 2016.

Prospects

Global economic activity remained subdued in 2015. The International Monetary Fund (IMF) projected the global growth at 3.1% in 2015, where growth in emerging market and developing economies declined for the fifth consecutive year, while a modest recovery continued in advanced economies. Global GDP growth is projected at 3.4% in 2016. For China, the country's GDP growth for 2015 recorded a 25-year low of 6.9%. The Chinese government set the GDP growth target in 2016 at a range of 6.5% to 7.0%; whilst IMF estimated the growth in China to be 6.3% in 2016, primarily reflecting weaker investment growth as the Chinese economy continues to rebalance.

The market expected the Chinese government to announce supportive policies to help stabilising the economic growth in China. The government also targets to promote renovation and upgrade in the industrial goods manufacturing industry, and has been actively seeking new drivers for development and growth by means of "Made in China 2025" action plan, "One Belt One Road" strategy, state-owned enterprises reform, as well as new technology promotion. CIMC Enric will continue to explore and develop new opportunities with the government's future development paths.

To seize market opportunities and support its long-term development, the Group will focus on enhancement of its core competiveness and business integration of the newly acquired subsidiaries, on the back of dedicated efforts on organic growth and persistent innovation. For the existing business, by enhancing its core strengths, the Group targets to achieve increased productivity and cost reduction. Meanwhile, the Group strives to develop new business and growth drivers by means of acquisition, innovative technology and finance lease business model. The Group's overall goal is towards one-stop solutions, to offer comprehensive and tailor-made products and services to customers. More attention will be devoted to exploring overseas markets in order to achieve sustainable revenue growth.

On the basis of Sino-European cooperation, the Group has established a business structure of "local knowledge and global operation". To further develop strategic and operational management capability of its management team in a global sense, the Group will continue to promote leadership training programmes and incentive schemes to develop and motivate talented leaders, who are essential for the Group's long-term success. In addition, through the leadership training programmes, the Group targets to enhance the capability of its management team to pursue continuous business development under undesirable external environment and to grasp market opportunities timely. In the past three years, the Group's leadership training programmes provided to the China team have been successful, such programmes are planned to cover the Europe team in the near furture. In order to achieve better management and strengthen internal control, the Group has implemented measures to enhance its organisational structure and work procedures of each department at the headquarters as well as its subsidiaries.

Energy equipment

Following the plunge in international oil price by more than half since the middle of 2014 and the Chinese government's natural gas pricing reforms implemented in recent years, the price advantage of natural gas as an alternative fuel over oil has weakened gradually, and the gap between natural gas price and oil price has narrowed significantly, and to a certain extent, undermined the motivation for oil-to-gas projects in China as well as the attractiveness of natural gas as a vehicle fuel. Therefore, the market demand for natural gas equipment dropped significantly in 2015. Moreover, the natural gas equipment industry in China has grown rapidly in recent years, market competition becoming more intense and average selling prices of some products decreased significantly. Grasping this critical moment, the Chinese government announced natural gas price cuts in April and November 2015 to maintain the natural gas price competiveness in China.

Given the absolute environmental benefits of natural gas over other fossil fuels and together with the supportive policies for natural gas consumption by the Chinese government, the Group remains confident on the long-term prospects of the natural gas industry in China. Nevertheless, the natural gas equipment market is still pending a confirmative recovery, the Group's energy equipment segment will implement various measures to achieve lower cost of production, increased customisation and innovation as well as superior customer service, and will carefully manage and control its capital expenditure and working capital.

Apart from carrying out marketing strategies in the China market, the energy equipment segment will look for more growth opportunities in overseas markets. Moreover, the Group believes that LNG marine storage and transport industry and marine oil and gas module industry are facing challenges in the short-term but remain bullish in the long-term, the segment targets to enhance its capability to deliver projects for small and midsize LNG, liquefied ethylene gas (LEG) and LPG carriers. The segment will also continue to explore and develop business opportunities in small-scale LNG liquefaction systems and equipment as well as EPC (engineering, procurement and construction) services.

Chemical equipment

In recent years, the Group's chemical equipment segment has recorded modest growth on the back of previous years' global economic recovery. In 2014, as the average selling price of tank containers was decreasing, customers purchased more tank containers for inventory reserves. In 2015, the slowdown in global economic growth continues to impact on the chemical industry, and the Group's standard tank containers business has experienced cyclical fluctuations of the chemical market. Moving into 2016, the growth of standard tank containers business is expected to slow down in the difficult economic environment. Due to the recent fall in steel price, being the major material cost of tank containers, the Group expects the average selling price of tank containers will remain under pressure in 2016.

With many years of expertise and experience in the chemical equipment industry, the segment remains committed to maintaining its leading position in tank container manufacturing business by controlling production costs, improving quality and enhancing operational efficiency. To pursue a healthy and sustainable growth in revenue, the segment will step up its effort to develop the market of special and high-end tank containers, such as LNG tank containers. Standard tank container is an intermodal transportation equipment for vehicles and vessels, yet its market penetration in China is still relatively low, and this reflects a bright prospect of its application in China. In addition, following the acquisition of Burg Service B.V. in 2015, the segment has increased its presence in the Europe market, and has gained access to advance technologies for repair and modification of tank containers in Europe.

Liquid food equipment

In view of the past years of rapid growth, the Group's liquid food equipment segment recorded a moderate performance in 2015. The Euro has fallen sharply against the RMB in 2015, and consequently a part of the segment's revenue has been eroded by the devaluation of Euro, when the segment's revenue was converted from Euro to RMB.

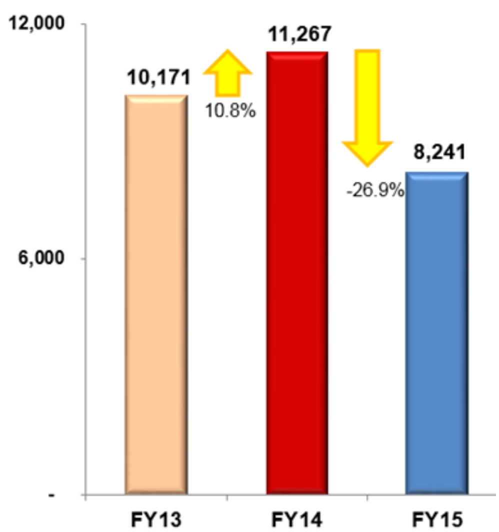
Backed by the strong brand name of "Ziemann Holvrieka", the Group's liquid food equipment segment is committed to offer engineering services and system solutions for the liquid food industry. Through the acquisition of Ziemann Holvrieka Asia Company Limited (formerly known as Holvrieka (China) Co., Ltd.) in the second half of 2014, the segment has expanded its production capacity in China and will continue to introduce advanced manufacturing technologies and process automation from Europe to China. With a high level of technological and technical competence of production equipment for beer, the segment will strive vertically towards integrated EPC turnkey solutions, and horizontally towards diversification to juice storage and transportation and dairy product processing, achieve persistent innovation, and explore more business opportunities and revenue sources in Central America and the emerging markets.

Mr. Gao Xiang concluded, "Looking ahead, the Group remains prudently optimistic about the outlook of the sectors it engaged in. The Group firmly believes that the combination of the Group's key strategies and diversified business model will create sustainable and long-term value to shareholders."

Financial Highlights

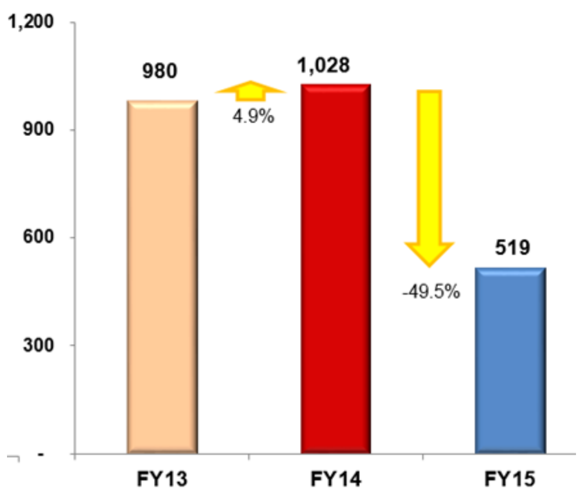
RMB'000	**2015**	2014 (restated)	**Change**
Revenue	**8,241,333**	11,266,822	**-26.9%**
Gross profit	**1,532,717**	2,122,648	**-27.8%**
EBITDA	**919,109**	1,418,591	**-35.2%**
Profit from operations	**718,276**	1,222,694	**-41.3%**
Profit for the year	**536,213**	1,039,371	**-48.4%**
Profit attributable to equity shareholders	**519,194**	1,027,638	**-49.5%**
EPS – basic	**RMB0.268**	RMB0.531	**-49.5%**
EPS – diluted	**RMB0.265**	RMB0.521	**-49.1%**
Net asset value per share	**RMB3.340**	RMB3.173	**+5.3%**
Final dividend	**HKD0.100**	HKD0.195	**-48.7%**

RMB million



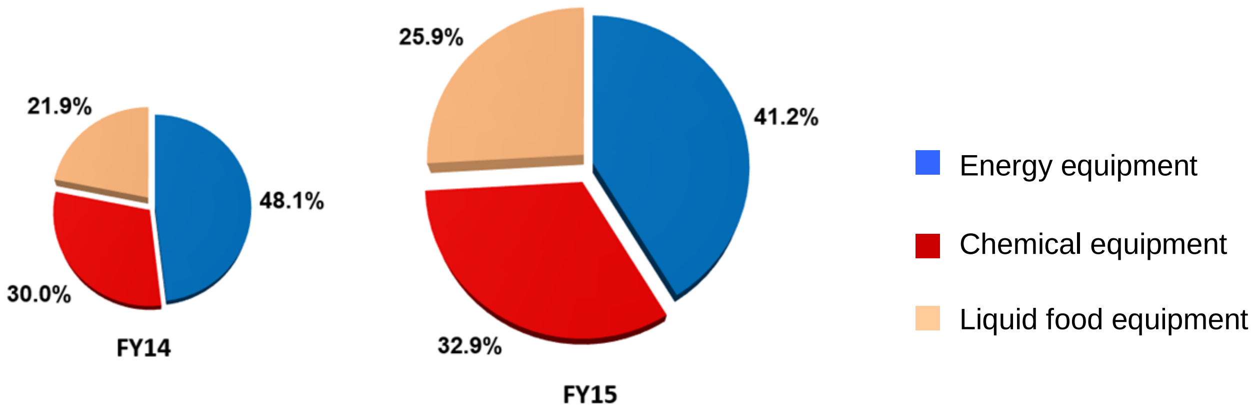
Revenue

RMB million



Profit Attributable to Shareholders

Sales by Business Segments



CIMC Enric Holdings Limited

CIMC Enric is principally engaged in the design, development, manufacturing, engineering and sales of, and the provision of technical maintenance services for, a wide spectrum of transportation, storage and processing equipment that is widely used in the energy, chemical and liquid food industries.

Key products of each segment include: CNG seamless pressure cylinders, on-vehicle LNG fuel tanks, CNG and LNG trailers, LPG trailers and tanks and natural gas refueling station systems in the energy equipment segment; tank containers for chemical liquids, liquefied gas and cryogenic liquids in the chemical equipment segment; and stainless steel processing and storage tanks in the liquid food equipment segment. Project engineering services are also provided by the three segments.

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The announcement of the annual results for the year ended 31 December 2015 is available at the Company's IR portal at www.irasia.com/listco/hk/enric.