CIMC ENRIC

[For Immediate Release]

Turnover decreased by 17.1% to RMB4,163 million for 1H'2015
Profit attributable to Equity Shareholders down 43.6% to RMB288 million

* * * * *

(Hong Kong, 19 August 2015) - CIMC Enric Holdings Limited ("CIMC Enric", or with its subsidiaries, the "Group") (Stock code: 03899.HK) announces its interim results for the six months ended 30 June 2015.

Mr. Gao Xiang, Chairman of CIMC Enric said, "In the wake of the recent slump in international oil price 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 the first half of 2014. Therefore, the market demand for natural gas equipment dropped significantly during the period, and the Group's energy equipment segment recorded a significant fall in turnover in the first half of 2015. Despite a robust growth in special tank containers' turnover, the falling demand for standardised tank containers caused the chemical equipment segment to post a decrease in turnover. Even with turnover growing in Euro terms by the liquid food equipment segment's European subsidiaries (being the core operating units of the segment), the segment recorded a moderate decline in turnover during the period due to the fact that the Euro has experienced a significant depreciation against RMB which is the reporting currency of the Group. As a result, the turnover for the first half of 2015 slipped by RMB857,304,000 to RMB4,163,049,000 (corresponding period in 2014: RMB5,020,353,000)."

Operational Performance

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

Profit attributable to equity shareholders of the Company decreased by 43.6% year-on-year to RMB288,499,000 (corresponding period in 2014: RMB511,755,000). Basic earnings per share was RMB0.149 (corresponding period in 2014: RMB0.265) and diluted earnings per share was RMB0.147 (corresponding period in 2014: RMB0.259).

During the first half of 2015, the energy equipment segment's revenue fell by 28.5% to RMB1,669,285,000 (corresponding period in 2014: RMB2,335,341,000) 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 in the recent months. In particular the sales volume of LNG trailers, on-vehicle LNG fuel tanks and LNG refueling stations saw various degrees of decrease comparing with the same period last year. At the same time, due to increased competitive pressures, the average selling price ("ASP") of these products declined which also contributed to the fall in segment turnover.

The chemical equipment segment's turnover decreased by 8.6% to RMB1,515,438,000 (corresponding period in 2014: RMB1,658,419,000) due to a fall in the sales volume of standardised tank containers which more than offset an increase in demand for special tank containers during the period.

The liquid food equipment segment's turnover posted a moderate decline of 4.7% to RMB978,326,000 during the period (corresponding period in 2014: RMB1,026,593,000) mainly because of 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. Therefore despite a rise in the Group's European subsidiaries' turnover in Euro terms, the segment recorded in slight decline after translation into RMB.

Prospects

Energy equipment

Influenced by the significant decline in international oil price 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 during the first half of 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. Even though the Chinese government implemented a natural gas price cut from April 2015, the natural gas's price competiveness has remained weak due to cheaper oil. The market generally expects the Chinese government to cut natural gas price in the second half of 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 is confident on the long-term prospects of the natural gas industry in China.

As 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 accounts receivable. Apart from carrying out marketing strategies in the China market, the energy equipment segment will look for more growth opportunities in overseas markets. Under an industry downturn environment, the energy equipment segment will consider acquisition opportunities if they are a good strategic fit and available at a right price, to lay down a solid foundation for long-term development.

The Group believes that the natural gas equipment industry has faced challenges in short-term but remains bullish in long-term. In line with the Group's development strategy to expand in industry chain for natural gas equipment and services from onshore to offshore and from downstream to upstream, the segment will strive to build its integrated capabilities for purification, liquefaction, storage and transportation of natural gas both onshore and offshore.

Chemical equipment

The slowdown in global economic growth continues to impact on the chemical industry in 2015. Except the United States, the chemical output from major economies was lacking strength to grow in the first six months of 2015. In recent years, the Group's chemical equipment segment has recorded modest growth on the back of previous years' economic recovery. In 2014, as the average selling price of tank containers was decreasing, customers purchased more tank containers for inventory reserves. In the first half of 2015, the Group's standard tank containers business has experienced cyclical fluctuations of the chemical market and the trend is expected to continue in the second half of the year.

The Group's chemical equipment segment remains committed in 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 chemical equipment segment will step up its effort to develop special and high-end tank containers.

Liquid food equipment

In the first half of 2015, the Group's liquid food equipment segment has achieved moderate business growth. However, the Euro has fallen sharply against the RMB recently, and consequently a part of the segment's growth in turnover has been eroded by the devaluation of Euro, when the segment's turnover was converted from Euro to RMB.

Through the dedicated efforts to integrate business and operational structures with assets acquired from Ziemann Group in 2012, the business portfolio of the Group's liquid food equipment segment has broadened beyond providing processing equipment for beer and other liquid food manufacturers to offering comprehensive turnkey solutions to its customers. Apart from developing the Europe market, the segment will also explore more business opportunities and revenue sources in America and the emerging markets. Besides, through the acquisition of NCLS in the second half of 2014, the liquid food equipment segment has expanded its presence in the China market. With an aim to create synergies and achieve greater cost efficiency, the segment will endeavour to business integration following the acquisition of NCLS and will continue to introduce advanced manufacturing technologies and process automation from Europe to China.

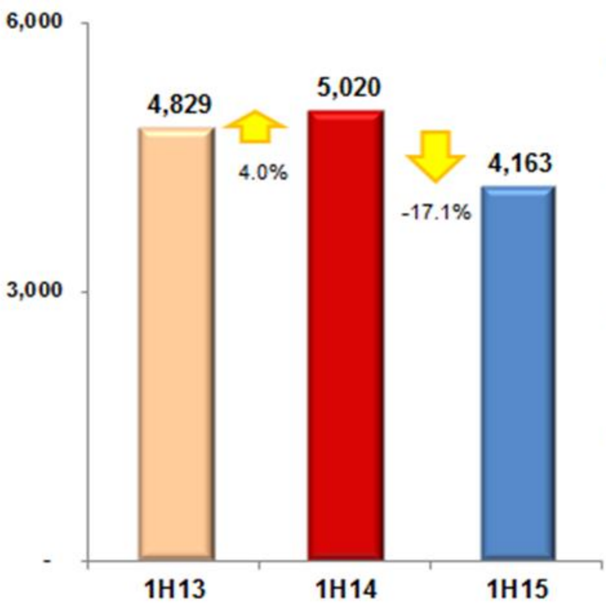
Mr. Gao concluded "Thanks to the shareholders, customers, suppliers and business partners for their confidence and support and thanks to the management and employees for their dedication and contribution. The Group will strive to become a world-leading manufacturer of specialised equipment and provider of project engineering services in energy, chemical and liquid food industries. 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

	Six months ended 30 June		
RMB'000	**2015**	2014	**Change**
		(restated)	
Turnover	**4,163,049**	5,020,353	**-17.1%**
Gross profit	**710,160**	927,116	**-23.4%**
EBITDA	**470,224**	644,461	**-27.0%**
Profit from operations	**371,726**	547,328	**-32.1%**
Profit for the period	**294,001**	518,173	**-43.3%**
Profit attributable to equity shareholders	**288,499**	511,755	**-43.6%**
EPS – basic	**RMB0.149**	RMB0.265	**-43.8%**
EPS – diluted	**RMB0.147**	RMB0.259	**-43.2%**
Net asset value per share	**RMB3.154**	RMB2.944	**+7.1%**

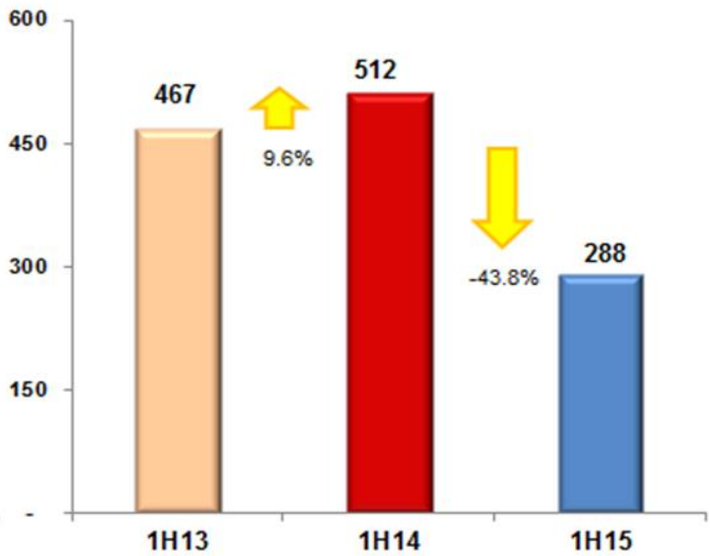
Turnover

RMB million

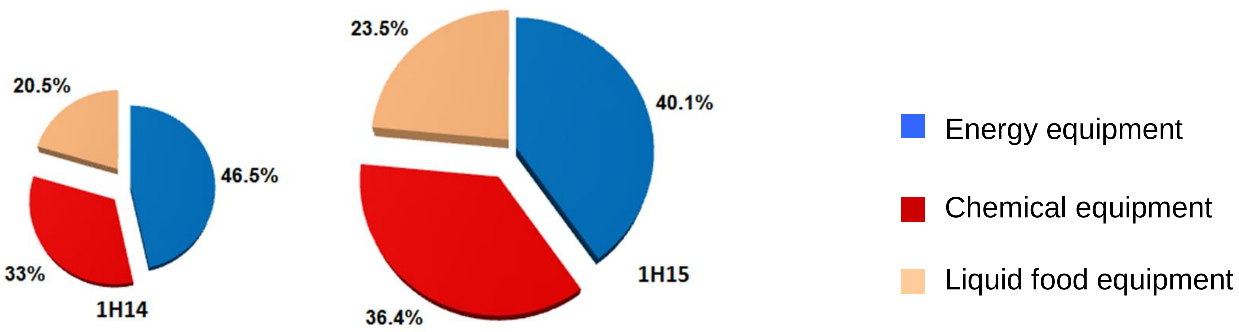


Profit Attributable to Shareholders

RMB million



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.

For Press Enquiry:

Tel	: (852) 2528 9386
Fax	: (852) 2865 9877
Email	: ir@enric.com.hk
Website	: www.enricgroup.com
IR portal	: www.irasia.com/listco/hk/enric

The announcement of the interim results for the six months ended 30 June 2015 is available at the Company's IR portal at www.irasia.com/listco/hk/enric.