STRATEGIC FINANCIAL RELATIONS LIMITED
縱橫財經公關顧問有限公司

[For Immediate Release]

SINGAMAS ANNOUNCES 2015 ANNUAL RESULTS

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ENHANCING COMPETITIVENESS THROUGH FURTHER DEVELOPMENT OF SPECIALISED CONTAINER AND LOGISTICS SERVICES BUSINESSES

(Hong Kong, 17 March 2016) – World-leading container manufacturer and logistics services provider **Singamas Container Holdings Limited** ("Singamas" / the "Group") (stock code: 716) has today announced its annual results for the year ended 31 December 2015. With the reallocation of resources to cope with the market situation, the Group's specialised containers manufacturing and logistics businesses both achieved good progress in the past year.

Due to the downturn of many major economies, the entire container industry has experienced a decline in performance in 2015. The demand for, and average selling price of new freight containers softened during the second half of 2015 in particular, which led to the consolidated revenue of the Group fell to US$1,126,414,000 (2014: US$1,546,483,000). Consolidated net loss attributable to owners of the Company was US$2,723,000, against net profit of US$28,021,000 attributable to owners of the Company in 2014. Basic loss per share in 2015 amounted to US0.11 cent, compared with earnings per share of US1.16 cents in 2014. Nevertheless, the Group's specialised containers manufacturing and logistics businesses both achieved good progress in the past year.

MANUFACTURING

The manufacturing operation accounted for 97% of total revenue in 2015. Revenue was US$1,093,802,000 (2014: US$1,515,408,000). Profit before taxation and non-controlling interests fell to US$2,120,000 (2014: US$45,546,000). Total production volume fell by 23% to 526,893 twenty-foot equivalent units ("TEUs") (2014: 686,474 TEUs) in 2015, while total sales volume fell by 24% to 520,684 TEUs (2014: 683,007 TEUs). Dry freight containers and specialised containers accounted for 59% and 41% of manufacturing revenue respectively.

Overall demand by shipping companies and container leasing operators was flat owing to a decline in export trade and lower leasing rates. In the face of weak consumption sentiment, the Group took the opportunity to further develop the specialised containers business. Correspondingly, the management made adjustments to certain production facilities to better tap the specialised containers market.

In reference to the 53' domestic dry container business, it has performed well during the reporting year, with production output reaching 14,000 units. The demand for these higher margin containers is expected to continue rising in line with the recovering US economy.

With respect to offshore containers, the management remains optimistic about this segment's medium and long-term development. It signed an agreement with Modex Group to acquire the remaining 50% equity interest in Qidong Singamas Offshore Equipment Co., Ltd, as well as Modex Group's manufacturing arm in Taicang, Jiangsu Province. The management plans to relocate the Taicang plant to Qidong, where it aims to bring all offshore container manufacturing activities under one roof. The management believes that the plant in Qidong will lead to cost savings and higher efficiency.

The refrigerated container business has been steady during the reporting year. To support the development of this business, construction of the Group's new reefer container factory in Qingdao has continued, and is on track to commence trial production in early 2017.

LOGISTICS SERVICES

Revenue derived from the logistics services business rose slightly to US$32,612,000 in 2015 (2014: US$31,075,000). However, being affected by the Tianjin explosions, the Group made provision of US$2,402,000 on losses of properties suffered. As a result, profit before taxation and non-controlling interests amounted to US$6,815,000, slightly lower than US$6,978,000 last year. Though the total number of containers handled by the Group slipped to 3,098,000 TEUs during the reporting year (2014: 3,170,000 TEUs), average daily container storage increased to 126,000 TEUs (2014: 89,000 TEUs).

PROSPECTS

The demand for new container is likely to remain soft in the first half of 2016, and many new container vessel deliveries have been postponed since 2015, the outlook for the upcoming year remains uncertain. However, the management maintains steadfastly committed to further enhancing the Group's competitiveness. Consistent with this long-term policy, Singamas will continue to further develop the specialised containers business, and thereby derive greater benefit from higher margin products.

The Group is likewise committed to enhancing the performance of the logistics services business. Correspondingly, it reached an agreement with Guangxi Beibu Gulf International Port Group Ltd. ("Guangxi Beibu Gulf") in December 2015 to establish a joint venture, whereby the Group will gain a foothold in the strategically important Guangxi autonomous region – one of the areas that will benefit from China's "One Belt, One Road" initiative. Port of Singapore subsequently became one of the signatories of this alliance, with the Group, Guangxi Beibu Gulf and Port of Singapore holding 55%, 35% and 10% stake respectively in the joint venture.

Mr. Teo Siong Seng, Chairman of Singamas, said, "With sound financial health, we are confident that Singamas is in a position to maintain the growth momentum in the specialised container segment, as well as the strategically planned logistics services business. With the target to enhance the Group's competitiveness, we also make sure that we are always well prepared to adapt to different market conditions and capitalize on any opportunities that emerge, and that every decision made should be for the best interest of our shareholders. "

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About Singamas Container Holdings Limited

Singamas is one of the world's leading container manufacturers and logistics services providers. Its manufacturing business covers eleven container factories located in the PRC. Its logistics operations include eleven container depots/ terminals, eight located in key locations in the PRC – Dalian, Tianjin, Qingdao, Shanghai, Qidong, Ningbo, Fuzhou and Xiamen, two in Hong Kong and one in Laemchabang, Thailand. It also runs a logistics company in Xiamen, the PRC. Riding on its comprehensive investment strategies, the Group is consolidating its market leadership in the global container industry. For details, please visit: www.singamas.com.

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