[For Immediate Release]

SINGAMAS ANNOUNCES 2016 INTERIM RESULTS

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BOLSTERING ALL AREAS OF OPERATIONS TO SEIZE ARISING OPPORTUNITIES

(Hong Kong, 26 August 2016) – World-leading container manufacturer and logistics services provider **Singamas Container Holdings Limited** ("Singamas" / the "Group") (stock code: 716) has today announced its unaudited interim results for the six months ended 30 June 2016 (the "review period").

During the review period, the further slowdown of the global economy has directly affected world trade, which has in turn affected the demand for new dry freight containers and placed further pressure on the average selling price ("ASP"), leading the consolidated revenue of the Group to decline by 41.7% to US$410,277,000 (1H2015: US$704,029,000). Consolidated net loss attributable to owners of the Company of US$36,619,000 (1H2015: consolidated net profit attributable to owners of the Company of US$10,079,000).

The Group has remained in a healthy financial position during the review period. Total bank balances and cash as of 30 June 2016 amounted to US$236,736,000 and the net debt to equity ratio has been maintained at a reasonable level of 23%.

MANUFACTURING

During the review period, revenue from the manufacturing operation slipped to US$393,757,000 (1H2015: US$688,161,000) due to weak container demand. Nonetheless, this segment represented the principal revenue source of the Group, accounting for 96.0% (1H2015: 97.7%) of total revenue. Total production volume was 223,982 twenty-foot equivalent units ("TEUs") (1H2015: 336,581 TEUs). Moreover, the ASP of a 20' dry freight container fell from US$1,880 to US$1,414 year-on-year. A total of 236,388 TEUs were sold (1H2015: 331,449 TEUs), with segment loss before taxation and non-controlling interest amounting to US$33,520,000 (1H2015: segment profit before taxation and non-controlling interest of US$12,373,000).

The demand for 53' domestic dry containers in the first half of 2016 was similar to the preceding year; however, the ASP and margin of such containers declined due to intense competition. It is worth mentioning that the Group has also received orders from China Railway for the production of various types of containers. The management has considered the production of these containers to be another strategic step towards bolstering its presence in China, where the railway system is being rapidly developed under the country's "One Belt, One Road" ("OBOR") initiative.

With regards to the offshore container operation, while it has performed less favourably due to the suspension of certain oil exploration projects by several petroleum companies, the medium to long-term prospects remain hopeful. Besides, the Group has always been seeking new offshore container customers, outside of those derived from Modex Group. It is further worth noting that Qidong Singamas Offshore Equipment Co., Ltd., which specialises in the production of high-quality, internationally certified offshore containers, and now fully owned by the Group, has begun developing other high-specification containers to enrich its product mix. The construction of the offshore container factory in Qidong will therefore address demand resulting from the aforementioned developments while at the same time enabling the Group to benefit from greater efficiency and cost savings.

Construction of the Group's new reefer container factory in Qingdao is progressing as scheduled, with trial production expected to commence in the second half of 2017.

LOGISTICS SERVICES

The Group's logistics operation performed stably, with revenue of US$16,520,000 generated during the review period (1H2015: US$15,868,000). However, due to commercial reasons, the Group made additional compensation of US$6,650,000 in connection with the Tianjin explosions incident. Segment loss before taxation and non-controlling interests amounted to US$3,828,000 (1H 2015: segment profit before taxation and non-controlling interests of US$3,829,000). A total of approximately 1,710,000 TEUs were handled by the Group (1H 2015: 1,568,000 TEUs), while average daily container storage rose to 156,000 TEUs (1H 2015: 114,000 TEUs).

With regards to the joint venture established by the Group, Guangxi Beibu Gulf International Port Group Ltd. and Port of Singapore in December 2015, headway has been made in establishing a presence in the strategically significant Guangxi Zhuang Autonomous Region, one of the locations set to benefit from the Chinese government's OBOR initiative. The management remains optimistic that the logistics operation will derive greater opportunities as a direct result of the tripartite agreement.

PROSPECTS

The challenging economic conditions will continuously affect the demand for new containers, and the delay of new container vessel deliveries since 2015 has further curbed the expectation of rising demand for new containers. However, the recent mergers and acquisitions conducted by several shipping companies and container leasing operators are close to completion, which will help reduce uncertainties in the market, and just as importantly, release capital for investment in new containers. Also, for the Group in particular, the demand for containers by China Railway and other local logistics companies is expected to increase as the OBOR initiative begins to take hold.

Despite the unsatisfactory market conditions, the management remains fully committed to bolstering all areas of the Group's operation so as to seize emerging opportunities in the future. Enhancing cost controls is one aspect of this commitment, and over the review period the Group has addressed this concern by optimising production capabilities. Also, robotic equipment are making their way into the Group's factories as witnessed in Shanghai and Baoshan where robotic arms aid in the production of tank containers and other specialised containers respectively. Such mechanical assistance has allowed the Group to maintain good product quality and control labour costs, and will be further pursued in the coming years.

Mr. Teo Siong Seng, **Chairman of Singamas**, said, "In view of the challenging economic environment, Singamas will remain vigilant of rising external risks, while at the same time strengthen all areas of operations to enhance its production efficiency through ongoing automation and various cost control measures. In addition, given that the Group enjoys a healthy financial position with a reasonable gearing ratio, we assert that Singamas is fully poised to seize opportunities as the container industry begins its turnaround."

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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 ten container factories located in the PRC. Its logistics operations include ten container depots/terminals, eight located in key locations in the PRC – Dalian, Tianjin, Qingdao, Shanghai, Qidong, Ningbo, Fuzhou and Xiamen, and two in Hong Kong. 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.

For press enquiries
Strategic Financial Relations Limited

Joanne Lam	+852 2864 4816	joanne.lam@sprg.com.hk
Hawaii He	+852 2864 4847	hawaii.he@sprg.com.hk
Maxie Mak	+852 2114 4912	maxie.mak@sprg.com.hk

http://www.sprg.com.hk