

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

SINGAMAS

勝獅貨櫃企業有限公司
SINGAMAS CONTAINER HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

Stock code: 716

PROFIT WARNING

This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of Singamas Container Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to inform shareholders of the Company and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group and information currently available to the Board, the Group is currently expected the consolidated net loss of the Group for the financial year ending 31 December 2016 increase substantially to at least US\$53,000,000 as compared with the consolidated net loss of the Group of US\$2,723,000 for the financial year ended 31 December 2015, or the consolidated net loss of the Group of US\$36,619,000 for the six month ended 30 June 2016.

The expected widening in net loss for the financial year ending 31 December 2016 is primarily attributable to the decline in the Group’s turnover and gross profit margin due to the continuing downturn of the macro economy since second half of 2015 which resulted in the consolidated net loss of the Group of US\$36,619,000 for the six month ended 30 June 2016 and expected consolidated net loss that will be recorded by the Group in the second half of 2016.

Slowdown of global economic conditions generally affected the world trade and export from the People’s Republic of China (“**PRC**”), which in turn affected the market demand in, and the average selling price (“**ASP**”) of, new dry freight containers. The Group noted that many new containers vessel deliveries have been postponed since 2015, which in return affected demand in new containers as well. Low ASP has significantly affected the Group’s overall profitability for the year of 2016.

Nevertheless, the Company has seen market recovery recently. The Group received more orders from customers and the corresponding ASP also increased recently. The Company

believes that this is attributable to, among other things, the increase in raw material costs, especially the corten steel, and the shortage of new containers inventory in the PRC. Besides, as the shipping companies and the leasing operators have not placed major orders for long time, there is pent up demand for new containers. The recent improvement of their business allows them to invest in new containers. However, in light of the persisting global economic fluctuations and uncertainties, there is no assurance that the market recovery would persist.

Despite the Group is expected to report a loss as aforesaid, the Board considers that the Group's financial situation as a whole is sound with its gearing ratio maintaining at a reasonable level. The Board believes that the Group is well poised to capture opportunity when the market picks up.

The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the information currently available including the unaudited consolidated management accounts of the Group, which have not been reviewed or audited by the Company's auditors and are subject to possible adjustments arising from further review. The annual results of the Group for the financial year ending 31 December 2016 are expected to be announced in March 2017.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Singamas Container Holdings Limited
Teo Siong Seng
Chairman and Chief Executive Officer

Hong Kong, 17 November 2016

The Directors as at the date of this announcement are Mr. Teo Siong Seng, Mr. Chan Kwok Leung, Mr. Teo Tiou Seng and Ms. Chung Pui King, Rebecca as executive Directors, Mr. Kuan Kim Kin and Mr. Tan Chor Kee as non-executive Directors and Mr. Cheng Fu Kwok, David, Mr. Lau Ho Kit, Ivan, Mr. Ong Ka Thai and Mr. Yang, Victor as independent non-executive Directors.