



Sapphire's Ranken Wins RMB373M (S\$82M) Taiyuan Rail Infrastructure Project; Lifts New Contracts to RMB1.3 Billion (S\$282M)

Singapore, 11 January 2016 – Sapphire Corporation Limited ("Sapphire" or the "Group") said today its newly acquired rail engineering specialist Ranken Infrastructure Limited ("Ranken") has secured a fresh RMB373 million (S\$82 million) contract in Taiyuan City (太原), Shanxi (山西) province; bringing the total value of new orders recently won to RMB1.3 billion (S\$282 million).

The latest project by China-based Ranken – an Engineering, Procurement and Construction ("EPC") business Sapphire acquired in October 2015 – involves designing and developing part of the Taiyuan Metro-Line 2, the city's first metro line.

More specifically, Ranken will construct 1.6km of the 23.4km metro line, including two tunnels and the Xijianhe Station (西涧河). The project connects three train stations – Kuangji (矿机), the Small Commodities Bazaar (小商品批发市场) and Xijianhe – and is expected to be completed within 30 months.

The Taiyuan project win comes about a month after Ranken announced on 9 December 2015 a series of railway infrastructure contracts in Guiyang (贵阳) and Qingdao (青岛), as well as a tunnel which is part of the 1,814km Menghua Railway project (蒙华铁路), worth a combined RMB916 million (S\$200 million).

Mr. Teh Wing Kwan, Group CEO and Managing Director of Sapphire, said: "The speed with which we have secured another new and sizeable project in Taiyuan underscores Ranken's successful track record and increasing reach across China. We will continue to strengthen our foothold in the country's fast-growing rail sector."

SGX Mainboard-listed Sapphire completed the acquisition of Ranken on 1 October 2015 in a move to expand into railway and other land transport infrastructure development, having sold its legacy steel business in 2014. The Group expects to recognise revenue from Ranken from the quarter ended 31 December 2015 and the subsidiary is expected to be Sapphire's biggest revenue contributor going forward.

The total value of RMB 1.3 billion (S\$282 million) new orders are expected to have a positive impact on the Group's earnings per share and net asset value per share for the financial year ending 31 December 2016, as well as 2017.

Incorporated in 1998, Ranken has undertaken complex and large-scale municipal land transport projects in China, India and Bangladesh. It has fully integrated Triple-A qualifications and licenses for design, construction and project consultation in China's rail transit sector.

Sapphire's foray into rail infrastructure development comes at a time when governments and state-owned enterprises in China and Southeast Asia are investing substantially in rail lines, roads and other infrastructure to improve travel and connectivity.

****End of Press Release****

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

Media & Investor Contact Information

WeR1 Consultants Pte Ltd
3 Phillip Street, #12-01
Royal Group Building
Singapore 048693
Tel: (65) 6737 4844 | Fax: (65) 6737 4944
Sheryl Sim – sheryl@wer1.net;
Grace Yew – graceyew@wer1.net

About Sapphire Corporation Limited

Following the divestment of its steel business, Sapphire, backed by a Board of Directors with strong corporate finance and investment records, has been actively looking out for investment propositions and merger & acquisition opportunities.

Listed on the Singapore Exchange since 1999, Sapphire currently owns 100% in the capital of Mancala Holdings Pty Ltd ("Mancala Australia"), a specialist mining services company based in Australia that provides raise-bore, shaft excavation, engineering services and other mining services. Mancala Australia, which has a strong record of more than 100 completed projects in Australia and internationally, is currently operating a nickel mine in Son La Province, Vietnam, the largest in the country.

Sapphire, on 1 October 2015, successfully completed the acquisition of China-based Engineering, Procurement and Construction ("EPC") business, Ranken Infrastructure Limited ("Ranken"). Founded in 1998, based in Beijing and Chengdu, Ranken is now China's second-largest privately-owned integrated rail transport infrastructure construction group and the only privately-owned operator in China which has obtained the prestigious full AAA-certification for design, construction and project consultation in the rail sector. Ranken's clients are mostly state-owned enterprises ("SOE") and Fortune-500 companies in China.