



**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
HALF-YEAR AND FULL YEAR RESULTS**

The directors are pleased to announce the results for the fourth quarter from 1 October 2014 to 31 December 2014 (“4Q14”) and the results for the full year from 1 January 2014 to 31 December 2014 (“FY14”). The comparatives are for the fourth quarter from 1 October 2013 to 31 December 2013 (“4Q13”) and the full year from 1 January 2013 to 31 December 2013 (“FY13”). These figures have not been audited.

1(a) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Group					
	1.1.2014 to 31.12.2014	1.1.2013 to 31.12.2013	Change	1.10.2014 to 31.12.2014	1.10.2013 to 31.12.2013	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Revenue	864,303	814,572	6.1%	214,375	169,864	26.2%
Cost of sales	(597,137)	(555,587)	7.5%	(147,552)	(108,344)	36.2%
Gross profit	267,166	258,985	3.2%	66,823	61,520	8.6%
Gross profit margin (%)	30.9%	31.8%	(0.9%)	31.2%	36.2%	(5.0%)
Other income	9,187	18,588	(50.6%)	3,267	10,567	(69.1%)
Distribution and selling expenses	(56,715)	(59,015)	(3.9%)	(12,370)	(14,140)	(12.5%)
Administrative expenses	(66,564)	(69,331)	(4.0%)	(10,663)	(18,914)	(43.6%)
Other expenses, net	(6,444)	(9,641)	(33.2%)	1,200	(6,753)	(117.8%)
Financial expenses	(12,148)	(10,591)	14.7%	(8,376)	(2,845)	194.4%
Profit before tax	134,484	128,995	4.3%	39,881	29,435	35.5%
Tax expense	(26,467)	(28,048)	(5.6%)	(6,898)	(601)	1,047.8%
Profit for the year/period	108,017	100,947	7.0%	32,983	28,834	14.4%
Net Profit margin (%)	12.5%	12.4%	0.1%	15.4%	17.0%	(1.6%)
Profit attributable to:						
Equity holders of the company	108,017	101,024	6.9%	32,983	28,794	14.5%
Non-controlling interests	-	(77)	N.M.	-	40	N.M.
	108,017	100,947	7.0%	32,983	28,834	14.4%

N.M. denotes Not Meaningful



Consolidated Statement of Profit or Loss and Other Comprehensive income (cont'd)
for the fourth quarter and full year ended 31 December 2014

	Group					
	1.1.2014 to 31.12.2014	1.1.2013 to 31.12.2013	Change	1.10.2014 to 31.12.2014	1.10.2013 to 31.12.2013	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Profit for the year/ period	108,017	100,947	7.0%	32,983	28,834	14.4%
Other comprehensive income: Items that are or may be reclassified subsequently to profit and loss:						
Currency translation differences arising on consolidation	84	5,961	(98.6%)	(490)	791	(161.9%)
Total comprehensive income for the year/period	<u>108,101</u>	<u>106,908</u>	<u>1.1%</u>	<u>32,493</u>	<u>29,625</u>	<u>9.7%</u>
Total comprehensive income attributable to:						
Equity holders of the company	108,101	106,985	1.0%	32,493	29,585	9.8%
Non-controlling interests	-	(77)	N.M	-	40	N.M
	<u>108,101</u>	<u>106,908</u>	<u>1.1%</u>	<u>32,493</u>	<u>29,625</u>	<u>9.7%</u>

Explanatory Notes

On 12 April 2006, the Company was converted to a public limited company. The Company was admitted to the Official List of the Main Board of the Singapore Exchange Securities Trading Limited (%SGX-ST+) on 27 April 2006. World Precise Machinery (China) Co., Ltd. (%WPMC+), World Heavy Machine Tools (China) Co., Ltd. (%WHMT+), World CNC Machine Tool (Jiangsu) Co., Ltd. (%WCNC+), World Precise Machinery Marketing Company (%WPMM+), World Precise Machinery (Shenyang) Co., Ltd. (%WPMS+) and World Precise Machinery Parts (Jiangsu) Co., Ltd. (%WPMP+) which are incorporated in the PRC, are wholly-owned subsidiaries of the Company.



(B) Profit Before Income Tax

This is determined after charging/ (crediting) the following:

	Group			
	1.1.2014 to 31.12.2014 RMB '000	1.1.2013 to 31.12.2013 RMB '000	1.10.2014 to 31.12.2014 RMB '000	1.10.2013 to 31.12.2013 RMB '000
Allowance for doubtful debts (trade)	3,047	2,195	(1,154)	2,195
Allowance for doubtful debts (non-trade)	254	2,515	254	2,515
Allowance for doubtful debts written back (trade)	(838)	(388)	(838)	(388)
Allowance for doubtful debts written back (non-trade)	-	(96)	-	(96)
Amortisation of land use rights	2,788	3,003	750	751
Amortisation of intangible assets	1,196	-	299	-
Bad debts written off (trade)	2,801	1,471	634	457
Depreciation of property, plant and equipment	54,418	50,501	15,077	9,212
Interest expenses	11,735	10,053	5,163	975
Interest income	(241)	(1,961)	(37)	(58)
Inventories written off	783	-	783	-
(Gain)/loss on disposal of property, plant and equipment	(170)	24	(170)	24
Net foreign exchange (gain)/ loss	(400)	3,567	(1,002)	806
Property, plant and equipment written off	29	-	(879)	(844)
Gain on disposal of a subsidiary	-	(1,619)	-	(1,619)



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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31.12.2014 RMB '000	31.12.2013 RMB '000	31.12.2014 RMB '000	31.12.2013 RMB '000
Non current assets				
Property, plant and equipment	764,895	809,818	-	-
Land use rights	134,656	137,444	-	-
Investment in subsidiaries	-	-	730,845	758,894
Intangible assets	25,181	11,962	-	-
	<u>924,732</u>	<u>959,224</u>	<u>730,845</u>	<u>758,894</u>
Current assets				
Inventories	347,792	439,351	-	-
Intangible assets	3,003	3,003	-	-
Trade receivables	300,980	242,888	-	-
Other receivables	26,116	38,957	13	137
Due from related parties (trade)	11,986	4,962	-	-
Due from a related party (non-trade)	46	-	-	-
Due from a subsidiary (non-trade)	-	-	74	77
Cash and bank balances	50,916	35,285	4,946	99
	<u>740,839</u>	<u>764,446</u>	<u>5,033</u>	<u>313</u>
Total assets	<u>1,665,571</u>	<u>1,723,670</u>	<u>735,878</u>	<u>759,207</u>
Non current liabilities				
Bank loans	130,000	215,000	-	-
Deferred tax liability	2,160	1,477	-	-
	<u>132,160</u>	<u>216,477</u>	<u>-</u>	<u>-</u>
Current liabilities				
Trade payables	185,455	198,206	-	-
Other payables	126,686	148,784	1,138	1,799
Due to related parties (trade)	2,548	4,330	-	-
Due to related parties (non-trade)	731	1,170	-	-
Due to a subsidiary (non-trade)	-	-	5,401	821
Bank loans	105,000	85,000	-	-
Tax payable	4,362	4,175	-	-
	<u>424,782</u>	<u>441,665</u>	<u>6,539</u>	<u>2,620</u>
Total liabilities	<u>556,942</u>	<u>658,142</u>	<u>6,539</u>	<u>2,620</u>
Net current assets/(liabilities)	<u>316,057</u>	<u>322,781</u>	<u>(1,506)</u>	<u>(2,307)</u>
Net Assets	<u>1,108,629</u>	<u>1,065,528</u>	<u>729,339</u>	<u>756,587</u>



	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RMB '000	RMB '000	RMB '000	RMB '000
Equity attributable to the equity holders of the Company				
Share capital	250,660	250,660	250,660	250,660
Statutory reserves	150,752	137,810	-	-
Revenue reserve	701,575	671,500	525,303	524,586
Currency translation reserve	5,642	5,558	(46,624)	(18,659)
Total Equity	1,108,629	1,065,528	729,339	756,587

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	As at 31 December 2014		As at 31 December 2013	
	Secured	Unsecured	Secured	Unsecured
	RMB '000	RMB '000	RMB '000	RMB '000
Non current liabilities				
Bank loans	130,000	-	215,000	-
Current liabilities				
Bank loans	105,000	-	85,000	-

Details of any collateral

As at 31 December 2014, bank loans comprised the following:

- 1) RMB25.0 million is secured by a guarantee issued by the holding company, World Precision Machinery Limited and a related party, Jiangsu World Agricultural Machinery Co., Ltd. (江苏沃得农业机械有限公司), a company in which the Group's controlling shareholder and director, Mr Wang Wei Yao, has substantial interest. The loan is repayable quarterly with effect from 1Q2013 and has a maturity date in 1H2015.
- 2) RMB190.0 million is secured by a guarantee issued by a subsidiary, World Precise Machinery (China) Co., Ltd. (沃得精机(中国)有限公司), and land and building of World Precise Machinery (Shenyang) Co., Ltd. (沃得精机(沈阳)有限公司). The loan is repayable quarterly with effect from 1Q2014 and has a maturity date in 3Q2017.
- 3) RMB10.0 million is secured by personal guarantee by the Group's non-executive director, Mr. Wang Weiyao and his spouse, Mrs. Zhang Ahmei, all of whom are related parties of the Group. The loan is repayable in 2Q2015.
- 4) RMB10.0 million is secured by personal guarantee by the Group's non-executive director, Mr. Wang Weiyao and his spouse, Mrs. Zhang Ahmei, all of whom are related parties of the Group. The loan is repayable in 3Q2015.

Note:

As at 31 December 2014, trade payables include bills payable amounting to RMB20.0 million (FY13: RMB31 million) which are secured by fixed deposits amounting to RMB2.0 million (FY13: RMB3.1 million).



1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	FY14	FY13	4Q14	4Q13
	1.1.2014 to 31.12.2014	1.1.2013 to 31.12.2013	1.10.2014 to 31.12.2014	1.10.2013 to 31.12.2013
	RMB '000	RMB '000	RMB '000	RMB '000
Cash flow from operating activities				
Profit before tax	134,484	128,995	39,880	29,435
Adjustment for:				
Amortisation of land use rights	2,788	3,003	750	751
Amortisation of intangible assets	1,196	-	299	-
Depreciation of property, plant and equipment	54,418	50,501	15,077	9,212
(Gain)/loss on disposal of property, plant and equipment	(170)	24	(170)	24
Interest expense	11,753	10,053	5,163	975
Interest income	(241)	(1,961)	(37)	(58)
Property, plant and equipment written off	29	-	(879)	(844)
Gain on disposal of a subsidiary	-	(1,619)	-	(1,619)
Operating profit before working capital changes	204,239	188,996	60,084	37,876
Inventories	92,235	(16,836)	74,723	(27,807)
Receivables	(52,309)	124,860	18,386	72,581
Payables	(7,642)	(4,423)	(42,918)	(7,893)
Currency translation adjustments	2,039	5,956	1,464	780
Cash generated from operations	238,562	298,553	111,739	75,537
Interest received	241	1,961	37	58
Income taxes paid	(25,597)	(26,824)	(8,614)	(5,869)
Net cash from operating activities	213,206	273,690	103,162	69,626
Cash flow from investing activities				
Proceeds from disposal of property, plant and equipment	1,918	454	1,918	454
Purchase of property, plant and equipment (Note A)	(35,364)	(113,936)	16,973	(59,086)
Acquisition of intangible assets	(14,415)	(11,547)	(14,415)	(11,547)
Net cash outflow on disposal of a subsidiary	-	(156)	-	(156)
Net cash (used in)/from investing activities	(47,861)	(125,185)	4,476	(70,335)
Cash flow from financing activities				
Proceeds from bank loans	30,000	60,000	10,000	-
Repayment of bank loans	(95,000)	(276,625)	(32,500)	(20,000)
Cash deposits released from pledge	3,588	60,333	2,000	4,003
Cash deposits pledged	(2,000)	(3,588)	(2,000)	(3,588)
Interest paid	(17,759)	(22,174)	(6,400)	(4,425)
Dividend paid	(65,000)	(20,000)	(40,000)	-
Net cash used in financing activities	(146,171)	(202,054)	(68,900)	(24,010)



	Group			
	FY14	FY13	4Q14	4Q13
	1.1.2014 to 31.12.2014 RMB '000	1.1.2013 to 31.12.2013 RMB '000	1.10.2014 to 31.12.2014 RMB '000	1.10.2013 to 31.12.2013 RMB '000
Net increase/(decrease) in cash and cash equivalents	19,174	(53,549)	38,738	(24,719)
Cash and cash equivalents at beginning of the year/period	31,697	85,241	12,131	56,304
Effect of exchange rate changes on cash and cash equivalents	(1,955)	5	(1,953)	112
Cash and cash equivalents at end of the year/period	48,916	31,697	48,916	31,697
Cash and cash equivalents per consolidated statement of cash flows	48,916	31,697	48,916	31,697
Cash deposits pledged	2,000	3,588	2,000	3,588
Cash and cash equivalents as per consolidated financial positions	50,916	35,285	50,916	35,285

Note A

	FY14	FY13	4Q14	4Q13
	1.1.2014 to 31.12.2014 RMB '000	1.1.2013 to 31.12.2013 RMB '000	1.10.2014 to 31.12.2014 RMB '000	1.10.2013 to 31.12.2013 RMB '000
	Total additions to property, plant and equipment	11,948	121,586	(33,889)
Add/(less): Unpaid portion	29,428	6,125	20,417	(16,992)
Add/(less): Prepayments	12	(1,654)	(2,264)	(4,025)
Less: Interest capitalised	(6,024)	(12,121)	(1,237)	(3,005)
Purchase of plant, property and equipment per consolidated statement of cash flows	35,364	113,936	(16,973)	59,086



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group

	Share capital RMB'000	Statutory reserves RMB'000	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total attributable to equity holders the Company RMB'000		
Balance as at 1.1.2014	250,660	137,810	671,500	5,558	1,065,528		
Profit for the year	-	-	108,017	-	108,017		
<i>Other comprehensive income</i>							
Currency translation differences arising on consolidation	-	-	-	84	84		
Total comprehensive income for the year	-	-	108,017	84	108,101		
Dividends paid	-	-	(65,000)	-	(65,000)		
Transfer to statutory reserve fund	-	12,942	(12,942)	-	-		
Balance as at 31.12.2014	250,660	150,752	701,575	5,642	1,108,629		
	Share capital RMB'000	Statutory reserves RMB'000	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total attributable to equity holders the Company RMB'000	Non-controlling interest RMB'000	Total Equity RMB'000
Balance as at 1.1.2013	250,660	125,416	603,033	(403)	978,706	1,001	979,707
Profit for the year	-	-	101,024	-	101,024	(77)	100,947
<i>Other comprehensive income</i>							
Currency translation differences arising on consolidation	-	-	-	5,961	5,961	-	5,961
Total comprehensive income for the year	-	-	101,024	5,961	106,985	(77)	106,908
Dividend paid	-	-	(20,000)	-	(20,000)	-	(20,000)
Transfer to statutory reserves fund	-	12,557	(12,557)	-	-	-	-
Disposal of a subsidiary	-	(163)	-	-	(163)	(924)	(1,087)
Balance as at 31.12.2013	250,660	137,810	671,500	5,558	1,065,528	-	1,065,528



Company

	Share capital RMB'000	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total Equity RMB'000
Balance as at 1.1.2014	250,660	524,586	(18,659)	756,587
Profit for the year	-	65,717	-	65,716
<i>Other comprehensive income</i>				
Currency translation differences arising on consolidation	-	-	(27,965)	(27,965)
Total comprehensive income for the year	-	65,717	(27,965)	37,752
Dividends paid	-	(65,000)	-	(65,000)
Balance as at 31.12.2014	250,660	525,303	(46,624)	729,339

	Share capital RMB'000	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total Equity RMB'000
Balance as at 1.1.2013	250,660	322,495	25,081	598,236
Profit for the year	-	222,091	-	222,091
<i>Other comprehensive income</i>				
Currency translation differences arising on consolidation	-	-	(43,740)	(43,740)
Total comprehensive income for the year	-	222,091	(43,740)	178,351
Dividend paid	-	(20,000)	-	(20,000)
Balance as at 31.12.2013	250,660	524,586	(18,659)	756,587

Explanatory Notes:

Statutory Reserves

The non-distributable statutory reserves represent amounts set aside in compliance with the local laws in the PRC where the subsidiaries operate. The subsidiaries are considered foreign investment enterprises and the percentage of appropriation from the net profit after tax to the various reserve funds are determined by the Board of Directors of the subsidiaries.

In accordance with the Foreign Enterprise Law applicable to subsidiaries in the PRC, the subsidiaries are required to make appropriation to a Statutory Reserve Fund (SRF). At least 10 per cent of the statutory after tax profits of each subsidiary as determined in accordance with the applicable PRC accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the registered capital of each subsidiary.

The SRF may be used to offset accumulated losses or increase the registered capital of the company, subject to approval from relevant PRC authorities and is not available for dividend distribution to the shareholders. The PRC enterprises are prohibited from distributing dividends unless the losses (if any) of previous years have been made good.



- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the three months ended 31 December 2014, there has been no change in the issued and paid-up share capital of the Company. There are also no outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.**

	As at 31 December 2014	As at 31 December 2013
Total number of issued shares	400,000,000	400,000,000
Less: treasury shares	-	-
Total number of issued shares excluding treasury shares	400,000,000	400,000,000

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at end of the current period reported on.**

The Company does not have any outstanding treasury shares as at the end of the current period reported on.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Group's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements as of 31 December 2013.



5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

In the current financial year, the Group has adopted all new and revised Financial Reporting Standards (%FRS+) and Interpretation of FRS (%INT FRS+) that are relevant to its operations and effective for annual periods beginning on 1 January 2014. The adoption of the new/revised FRS and INT FRSs does not result in any significant changes to the accounting policies of the Group and has no material effect on the amounts reported for the current and prior years.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	1.1.2014 to 31.12.2014	1.1.2013 to 31.12.2013	1.10.2014 to 31.12.2014	1.10.2013 to 31.12.2013
(a) Based on weighted average number of ordinary shares on issue (RMB); and	0.27	0.25	0.08	0.07
(b) On a fully diluted basis (RMB)	0.27	0.25	0.08	0.07
Weighted average number of shares	400,000,000	400,000,000	400,000,000	400,000,000

7. Net asset value (for the issuer and group) per ordinary share based on total number of issued share capital excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RMB	RMB	RMB	RMB
Net asset value per ordinary share based on issued share capital at the end of the respective years:	2.77	2.66	1.82	1.89
No. of shares in computing NAV	400,000,000	400,000,000	400,000,000	400,000,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.



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(Co. Regn. No: 200409453N)

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REVIEW OF PERFORMANCE

(A) Consolidated Income Statement

(i) Turnover

For the 3 months ended 31 December 2014 (%Q14+), the Group's turnover increased by 26.2% to RMB214.4 million from RMB169.9 million in the 3 months ended 31 December 2013 (%Q13+).

In terms of sales performance for 4Q14, sales of conventional stamping machines decreased by 22.7% while sales of high performance and high tonnage stamping machines increased by 39.9%.

For the full year ended 31 December 2014 (%Y14+), the Group's turnover increased by 6.1% to RMB864.3 million from RMB814.6 million in the full year ended 31 December 2013 (%Y13+).

In terms of sales performance for FY14, sales of conventional stamping machines decreased by 21.4% while sales of high performance and high tonnage stamping machines increased by 14.5%.

Overall, the increase in number of units sold in high performance and high tonnage stamping machines, which was partially offset by a decrease in number of units sold in conventional stamping machines and downward revision in the average selling prices of the stamping machines contributed to the overall increase in turnover.

The Group's turnover was mainly derived from sales at Jiangsu, Guangdong, Zhejiang and Bohai Rim areas.

(ii) Gross Profit

The Group's gross profit for 4Q14 increased by 8.6% to RMB66.8 million from RMB61.5 million in 4Q13 in tandem with the increase in turnover. However, gross profit margin decreased by 5.0% to 31.2% in 4Q14 from 36.2% in 4Q13.

In terms of gross profit margin for 4Q14 year-on-year, gross profit margin for conventional stamping machines decreased by 8.7% to 27.5% from 36.2% in 4Q13 while gross profit margin for high performance and high tonnage stamping machines decreased by 4.5% to 31.2% from 35.7% in 4Q13.

The Group's gross profit for FY14 increased by 3.2% to RMB267.2 million from RMB259.0 million in FY13 in tandem with the increase in turnover. However, the gross profit margin for FY14 decreased by 0.9% to 30.9% from 31.8% in FY13.

In terms of gross profit margin for FY14, gross profit margin for conventional stamping machines increased by 4.3% to 25.0% from 29.3% in FY13 while gross profit margin for high performance and high tonnage stamping machines decreased by 1.2% to 31.2% from 32.4% in FY13.

Overall, the decrease in the Group's gross profit margin was mainly due to a downward revision in average selling prices of stamping machines partially offset by a decrease in overhead cost as a result of increase in production of high performance and high tonnage



stamping machines partially offset by a decrease in production of conventional stamping machines.

(iii) Other Income

In 4Q14, the Group's other income decreased by 69.1% to RMB3.3 million from RMB10.5 million in 4Q13.

In FY14, the Group's other income decreased by 50.6% to RMB9.2 million from RMB18.6 million in FY13.

Overall, the decrease was mainly due to a decrease in interest income and government subsidies partially offset by an increase in rental income from a related party, a RMB3.0 million deposit from a customer which was forfeited due to the cancellation of order and gain on disposal of a subsidiary in FY13.

(iv) Distribution and Selling Expenses

In 4Q14, the Group's distribution and selling expenses decreased by 12.5% to RMB12.4 million from RMB14.1 million in 4Q13.

In FY14, the Group's distribution and selling expenses decreased by 3.9% to RMB56.7 million from RMB59.0 million in FY13. As a percentage of total revenue, distribution and selling expenses decreased by 0.6% to 6.6% in FY14 from 7.2% in FY13.

The decrease was mainly due to a decrease in warranty services expense which was partially offset by an increase in sales commission payable to the sales personnel in tandem with the increase in turnover.

(v) Administrative Expenses

In 4Q14, the Group's administrative expenses decreased by 43.6% to RMB10.7 million from RMB18.9 million in 4Q13.

In FY14, the Group's administrative expenses decreased by 4.0% to RMB66.6 million from RMB69.3 million in FY13. As a percentage of total revenue, administrative expenses decreased by 0.8% to 7.7% in FY14 from 8.5% in FY13.

The decrease was mainly due to the disposal of a subsidiary, Shanghai Shangduan Press Co, Ltd. in FY13 and a decrease in office expenses partially offset by an increase in research and development costs for stamping machines.

The Group continues to enhance its technical capabilities to launch higher value added stamping machines through its research and development.

(vi) Depreciation and amortisation expenses

In 4Q14, the Group's depreciation and amortisation expenses increased by 61.9% to RMB16.1 million from RMB10.0 million in 4Q13.



In FY14, the Group's depreciation and amortisation expenses increased by 9.2% to RMB58.4 million from RMB53.5 million in FY13.

Overall, the increase was mainly due to additional depreciation charges incurred by WPMS since it commence its production in 2Q14.

(vii) Other Operating Expenses, net

In 4Q14, the Group's net other operating expenses decreased by 117.8% mainly due to a reversal of allowance for doubtful debts and a decrease in foreign exchange loss.

In FY14, the Group's net other operating expenses decreased by 33.2% to RMB6.4 million from RMB9.6 million in FY13.

Overall, the decrease was mainly due to a decrease in foreign exchange loss partially offset by an increase in allowance for doubtful debts.

(viii) Finance Expenses

In 4Q14, the Group's finance expenses recorded an increase of 194.4% to RMB8.4 million from RMB2.8 million in 4Q13.

In FY14, the Group's finance expenses recorded an increase of 14.7% to RMB12.1 million from RMB 10.6 million in FY13.

The increase was mainly due to a decrease in interest expenses relating to the construction of Shenyang plant which had been capitalised and interest paid for early redemption of bill receivables partially offset by a gradual decrease in interest expenses relating to a gradual decrease in bank loans. Please refer to page 7 of the Results Announcement for capitalised interest.

(ix) Profit Before Tax

Overall, the Group's profit before tax (PBT) had increased in tandem with the Group's gross profit for 4Q14 and FY14.

In 4Q14, the Group's PBT increased by 35.5% to RMB39.9 million from RMB29.4 million in 4Q13.

In FY14, the Group's PBT increased by 4.3% to RMB134.5 million from RMB129.0 million in FY13.

(x) Income Tax Expense

In 4Q14, the Group's tax expense increased by 1047.8% to RMB6.9 million from RMB0.6 million in 4Q13. The increase was mainly due to an increase in deferred tax liability provision and a decrease in tax subsidies from government.



In FY14, the Group's tax expense decreased by 5.6% to RMB26.5 million from RMB28.0 million in FY13. The decrease was mainly due to over provision of income tax in previous year partially offset by an increase in deferred tax liability provision.

WPMC, WHMT and WCNC enjoyed preferential income tax rate of 15% as WPMC, WHMT and WCNC have been regarded as High-Tech Enterprises.

WPMM, WPMS and WPMP were subjected to tax at the statutory tax rate of 25%.

(xi) Net Profit After Tax

Overall, the Group's net profit after tax (NPAT) had increased in tandem with the Group's PBT for 4Q14 and FY14.

In 4Q14, the Group's NPAT increased by 14.4% to RMB33.0 million from RMB28.8 million in 4Q13. However, net profit margin decreased by 1.6% to 15.4% from 17.0% in 4Q13.

In FY14, the Group's NPAT increased by 7.0% to RMB108.0 million from RMB100.9 million in FY13. Net profit margin increased marginally by 0.1% to 12.5% from 12.4% in FY13.

(B) Consolidated Balance Sheet (31 December 2014 vs 31 December 2013)

For the period under review, the Group's non-current assets decreased by approximately RMB34.5 million mainly due to the acquisition of property, plant and equipment and intangible assets net of depreciation and amortisation charges in respect of its subsidiaries.

For the period under review, the Group's non-current liabilities decreased by RMB84.3 million due to reclassification of RMB85.0 million long-term bank loans which are due within a year to current bank loans partially offset by an increase in deferred tax liability of RMB0.7 million. The long-term bank loans are used to fund the acquisition of property, plant and equipment for its subsidiary in Shenyang, China.

The Group's total current assets decreased by approximately RMB23.6 million from RMB764.4 million as at 31 December 2013 to RMB740.8 million as at 31 December 2014. This was attributable to a decrease in inventories (which was mainly due to increase in sales in November and December 2014 and decline in purchase of raw materials), other receivables, deposits and prepayments (which was mainly due to a decrease in prepayment for suppliers for purchase of raw materials). Such decrease was partially offset by an increase in trade receivables (which was mainly due to increase in sales in November and December 2014), amounts due from related parties (trade and non-trade) and cash and bank balances.

Concurrently, the Group's total current liabilities decreased by approximately RMB16.9 million from RMB441.7 million as at 31 December 2013 to RMB424.8 million as at 31 December 2014. The decrease was attributable to a decrease in trade payables (which was mainly due to decline in purchase of raw materials), other payables and accruals (which was mainly due to payment for property, plant and equipment completed and/or received) and amounts due to related parties (trade and non-trade). Such decrease was partially offset by an increase in short term bank loans (reclassification from long term bank loans to short term bank loans) and tax payable.

The Group is in a net current assets position as at 31 December 2014 of RMB316.1 million.



(C) Consolidated Cash Flow Statement

For the 3 months ended 31 December 2014, the Group recorded a net cash increase of approximately RMB38.7 million. This was mainly due to: -

- a) the net cash inflow arising from operating activities which amounted to RMB103.1 million. The reasons were discussed in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position.
- b) the net cash outflow arising from financing activities which amounted to RMB68.9 million arose mainly from net repayment of bank loans, bank loans interest paid and dividend paid.
- c) the net cash inflow arising from investing activities amounted to RMB4.5 million was mainly due to the reversal of additional cost for acquisition of property, plant and equipment and proceeds from the disposal of property, plant and equipment which was partially offset by the capitalisation of research and development costs.

For the full year ended 31 December 2014, the Group recorded a net cash decrease of approximately RMB19.2 million. This was mainly due to: -

- a) The net cash inflow arising from operating activities amounted to RMB213.2 million. The reasons were discussed in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position.
- b) The net cash outflow arising from financing activities which amounted to RMB146.2 million arose mainly from net repayment of bank loans, bank loans interest paid and dividend paid which was partially offset by net cash deposits released from pledge with financial institution.
- c) The net cash outflow arising from investing activities which amounted to RMB47.8 million was mainly due to the acquisition of property, plant and equipment and capitalisation of research and development costs which was offset by the proceeds from the disposal of property, plant and equipment.

Cash and cash equivalent as at 31 December 2014 stood at RMB50.9 million (of which RMB2.0 million was pledged for bills payable.)

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The FY14 Financial Results announcement is in line with the statement made in Paragraph 10 disclosed in the 9M14 Financial Results announcement dated 11 November 2014 i.e. As China's industrial output statistics have yet to indicate a clear trend, the Group will continue to tread on cautiously. The Group is optimistic on a profitable FY2014.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.



China's economy expansion slowed down from 7.7% a year ago to 7.4% in 2014, which also fell short of the government's target of 7.5%. This marked the weakest expansion in 24 years since 1990¹. The industrial output data released by the National Bureau of Statistics of China added to the evidence of weakness in China's economy. Despite consistently hovering above 8.5% year-on-year for the first half of 2014 and hitting an all year high of 9.2% year-on-year in June, China's industrial production output took a drastic plunge to 6.9% year-on-year in August and oscillated at or below the 8.0% mark for the rest of the year².

Despite China's weaker economic growth due to industrial overcapacity and weakness in the real estate sector, the domestic automobile and smart home appliance markets remain robust. According to China Association of Automobile Manufactures (CAAM), the production and sales of automobiles in China in 2014 reached 23,722,900 and 23,491,900 units respectively, up 7.3% and 6.9% year-on-year³. On the other hand, smart home appliances are becoming the mainstream of domestic home appliance demand as the Chinese consumers yearn for higher standard of living with the increase in disposable household income. At the same time, Chinese home appliances and electronics are increasingly gaining traction among European consumers because of their price advantages and innovation⁴. The Group intends to leverage on these favourable trends by continuously innovating and enhancing its product offerings.

As China's industrial output statistics have yet to indicate a clear trend, the Group will continue to tread on cautiously. Barring any unforeseen circumstances, the Group is optimistic to remain profitable in FY2015.

As at 15 February 2015, the Group's order book stood at RMB49.7 million.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? **Yes**

<u>Name of Dividend</u>	<u>Interim Dividend</u>	<u>Proposed Final Dividend</u>
<u>Dividend Type</u>	Cash; Tax-Exempt (One-Tier) dividend	Cash; Tax-Exempt (One-Tier) dividend
<u>Dividend Rate</u>	RMB0.10 (equivalent to S\$0.0208) per share	RMB0.10 (equivalent to S\$0.0217)
<u>Tax Rate</u>	Tax-Exempt (One-Tier)	Tax-Exempt (One-Tier)
<u>Date of payment</u>	12 December 2014	The proposed final Tax-Exempt (One-Tier) dividend, if approved at the Annual General Meeting to be held on 28 April 2015, will be paid on 1 June 2015.

¹ Trading Economics, "China GDP Annual Growth Rate", <http://www.tradingeconomics.com/china/gdpgrowthannual>

² Trading Economics, "China Industrial Production", <http://www.tradingeconomics.com/china/industrial-production>

³ China Association of Automobile Manufactures, "The sales and production of automobiles kept a steady growth", <http://www.caam.org.cn/AutomotivesStatistics/20150114/0905144504.html>

⁴ Ecns.cn, "Brand new world for 'Made-in-China'", <http://www.ecns.cn/business/2015/02-16/155096.shtml>



(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes. A final dividend of RMB0.0625 (equivalent to S\$0.0125) per share, Tax-Exempt (One-Tier), has been declared for the financial year ended 31 December 2013.

(c) Date payable

1 June 2015.

(d) Books closure date

Up to 5.00 p.m. on 12 May 2015.

12. If no dividend has been declared/recommended, a statement to that effect.

A final dividend of RMB0.10 (equivalent to S\$0.0217) per share, tax exempt (one-tier), has been recommended for the financial year ended 31 December 2014. The proposed final Tax-Exempt (One-Tier) dividend, if approved at the Annual General Meeting to be held on 28 April 2015, will be paid on 1 June 2015.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for IPTs.

IPTs for FY14 are as follows: -

Name of Interested Person	FY 2014
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders mandate pursuant to Rule 920)
	RMB'000
<u>Jiangsu World Machinery and Electronics Group Co., Ltd.</u> Processing fees received and sale of parts.	89
<u>Jiangsu World Machinery and Electronics Group Co., Ltd.</u> Processing fees paid and purchase of scrap materials.	4,039
<u>Jiangsu World Plant-Protecting Machinery Co., Ltd</u> Processing fees received, sale of raw materials and parts.	145



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<u>Jiangsu World Plant-Protecting Machinery Co., Ltd</u>	
Purchase of raw materials and scrap materials.	353
<u>Jiangsu World Agriculture Machinery Co., Ltd</u>	
Processing fees received, sale of raw materials, parts and machineries.	3,934
<u>Jiangsu World Agriculture Machinery Co., Ltd</u>	
Purchase of raw materials, parts and scrap materials.	1,831
<u>Jiangsu World Agriculture Machinery & Parts Manufacturing Co., Ltd.</u>	
Processing fees received, sale of raw materials, parts and machineries.	2,883
<u>Jiangsu World Agriculture Machinery & Parts Manufacturing Co., Ltd.</u>	
Processing fees paid, purchase of raw materials, parts and scrap materials.	7,017
<u>World Agriculture (Shenyang) Co., Ltd.</u>	
Factory rental income and utilities charged.	8,280
<u>World Heavy Industry (China) Co., Ltd.</u>	
Sale of raw materials and parts.	128
<u>World Heavy Industry (China) Co., Ltd.</u>	
Processing fees paid and purchase of raw materials and scrap materials.	1,403
<u>Jiangsu World Crane Co., Ltd</u>	
Purchase of raw materials.	13
<u>Jiangsu World Precise Machinery Co., Ltd.</u>	
Land rental paid.	720
<u>Jiangsu Tengyue Heavy Machine Engineering Co., Ltd.</u>	
Staff cost	124
Total:	30,959

Mr Wang Weiyao, the Non-Executive Director of the Company, has approximately 65% shareholding interest in Jiangsu World Machinery and Electronics Group Co., Ltd. Mr Wang Weiyao is also a controlling shareholder of the Company, through his 100% shareholding interest in World Sharehold Limited.



Accordingly, Jiangsu World Machinery and Electronics Group Co., Ltd. together with its subsidiaries is deemed to be the same interested person within the meaning defined in Chapter 9 of the Listing Manual (Listing Manual) of the Singapore Exchange Securities Trading Limited (SGX-ST).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

No information by business segments is presented as the principal operation of the Company relates mainly to the manufacture of stamping machines and its related components (which include machinery parts and accessories as well as resin-casted components). As the business of the Company is engaged entirely in the PRC, no reporting by geographical location of the operation is presented.

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Not Applicable.

16. A breakdown of sales.

	The Group		
	FY2014	FY2013	Increase/(decrease)
	RMB¥00	RMB¥00	%
(a) Sales reported for first half year	467,552	440,506	6.1
Profit after tax before deducting non-controlling interest for first half year	55,521	45,004	23.4
(b) Sales reported for second half of year	396,751	374,065	6.1
Profit after tax before deducting non-controlling interest for first half year	52,495	55,943	(6.2)
(c) Sales reported for full year	864,303	814,571	6.1
Profit after tax before deducting non-controlling interest for full year	108,016	100,947	7.0



17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2014	FY2013
	RMB¥00	RMB¥00
Ordinary	80,000	25,000
Preference	-	-
Total	80,000	25,000

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Shao Xiaopu	34	Son of Mr. Shao Jianjun, World Precision Machinery Limited; Executive Chairman	Head of Technical Department of World CNC Machine Tool (Jiangsu) Co., Ltd. since March 2009.	No change
Li Wenjuan	34	Daughter-in-law of Mr. Shao Jianjun, World Precision Machinery Limited; Executive Chairman	Deputy Finance Manager of World Heavy Machine Tools (China) Co., Ltd since January 2013.	No change
Ge Minglei	39	Husband of Ms. Jiang Hongdi, World Precision Machinery Limited; Executive Director	Deputy Chief Engineer of World Precise Machinery (China) Co., Ltd. since May 2004.	No change
Wu Xiaofang	48	Brother of Mr. Wu Yufang, World Precision Machinery Limited; Chief Executive Officer	Sales Regional Manager of World Precise Machinery Marketing Company since January 2012.	No Change

BY ORDER OF THE BOARD

Wu Yufang
Chief Executive Officer
28 February 2015