



沃得
WORLD

WORLD PRECISION MACHINERY LIMITED
(Incorporated in Singapore)
(Co. Regn. No: 200409453N)

RESPONSES TO QUERIES FROM SINGAPORE EXCHANGE REGULATION IN RELATION TO THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the “**Board**”) of World Precision Machinery Limited (the “**Company**”, and collectively, the Company and its subsidiaries, the “**Group**”) refers to the queries raised by the Singapore Exchange Regulation (“**SGX RegCo**”) in relation to the Company’s annual report for the financial year ended 31 December 2024 (the “**Annual Report**”). The Company’s responses and the corresponding questions are set out below:

1. Listing Rule 704(6) provides that an issuer must immediately announce if it has previously announced its preliminary full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors. Please clarify whether and how Listing Rule 704(6) has been complied with.

Please also provide explanations for the following variance in:

- (i) net cash generated from operating activities from RMB 36,057,000 in the FY2024 unaudited full-year financial statements to RMB 29,256,000 in the FY2024 Annual Report; and
- (ii) net cash flows used in investing activities from RMB 44,303,000 in the FY2024 unaudited full-year financial statements to RMB 37,450,000 in the FY2024 Annual Report.

Company’s response

The Company’s unaudited financial results for the financial year ended 31 December 2024 were released on 1 March 2025 (the “**Unaudited Results 2024**”).

The differences between the Unaudited Results 2024 and the audited financial results for the financial year ended 31 December 2024 set out in the Annual Report (the “**Audited Results 2024**”) arise in the cash flow statement primarily as a result of currency re-alignment, re-classification of other payables relating to property, plant and equipment to property, plant and equipment, re-classification of inventories written down and minor rounding adjustments. The final cash and cash equivalents at year-end remain unchanged, and the Group’s overall financial position and results are consistent between the Audited Results 2024 and Unaudited Results 2024. Of note is that other than minor rounding adjustments (to the nearest RMB 1,000), there are no differences in the income statement, balance sheet and statement of changes in equity.

The Board was of the view that no material adjustments have been made to the full-year results as between the Unaudited Results 2024 and the Audited Results 2024, and accordingly, the Board took the view that Listing Rule 704(6) was not applicable and had been complied with.

Explanations for the Variances

The effect of foreign currency re-alignment on investing activities is mainly attributable to exchange rate fluctuations between the functional currency (RMB) and the transaction currency (e.g., USD and SGD) in respect of fixed asset purchased. These purchases were denominated in foreign currencies and recorded in RMB. Accordingly, the cash outflow presented in the investing and operating activities section reflects the initial translation of foreign currency amounts at the transaction date and a subsequent re-alignment due to exchange rate movements up to the balance sheet date. The re-classification of inventories from inventories written down to inventories (amounting to RMB 1.084 million) was a result of an inadvertent error when preparing the Unaudited Results 2024, and rectified

in the Audited Results 2024. As mentioned above, though there are variances to the line items in the cashflow statement of the Group, the final cash and cash equivalents at year-end remain unchanged.

A copy of the cashflow statement with variances highlighted between the Audited Results 2024 and Unaudited Results is attached, for reference.

By Order of the Board
World Precision Machinery Limited

Wang Weiyao
Executive Chairman
30 April 2025



沃得
WORLD

WORLD PRECISION MACHINERY LIMITED
(Incorporated in Singapore)
(Co. Regn. No: 200409453N)

Consolidated statement of cash flows
Year ended 31 December 2024

		Group			
		2024	2024	2024	
		RMB'000	RMB'000	RMB'000	
		Per	Per Audited	Variance	Note
		Announcement	Financial Statement		
Operating activities					
Profit before tax		4,088	4,089	1	Due to rounding error
Adjustments for:				-	
Amortisation of intangible assets	17	7,689	7,689	-	
Bad debts written off/(recovered)	7	176	176	-	
Depreciation of investment property	15	11,427	11,427	-	
Depreciation of property, plant and equipment	14	61,087	61,103	16	(i)
Impairment loss on goodwill	7	3,622	3,622	-	
Interest expense	6	10,200	10,200	-	
Interest income	6	(10,953)	(10,953)	-	
Property, plant and equipment written off	7	-	-	-	
Provision/(reversal) of impairment losses on trade and other rec	7	11,385	11,385	-	
Write-down of inventories, net	7	1,352	270	(1,082)	(ii) and due to rounding error
Operating cash flows before movements in working capital		100,073	99,008	(1,065)	
Changes in working capital:					
- Inventories		19,085	20,169	1,084	(ii) and due to rounding error
- Trade and other receivables		(65,769)	(65,770)	(1)	Due to rounding error
- Trade and other payables		(12,399)	(19,217)	(6,818)	(i), (iii)
- Contract liabilities		(16,024)	(16,024)	-	
Cash generated from operations		24,966	18,166	(6,800)	
Interest received		10,953	10,953	-	
Withholding tax paid		(586)	(586)	-	
Income tax paid		724	723	(1)	Due to rounding error
Net cash generated from operating activities		36,057	29,256	(6,801)	
Investing activities					
Purchases of property, plant and equipment (Note A)		(38,930)	(38,589)	341	(i), (iii)
Purchases of investment properties	15	-	-	-	
Proceeds from disposal of property, plant and equipment		5	5	-	
Acquisition of a subsidiary	18	-	-	-	
Repayment of loan from a third party		-	-	-	
Effect of foreign currency re-alignmnet on investing activities		(5,378)	1,134	6,512	(i)
Net cash generated from/(used in) investing activities		(44,303)	(37,450)	6,853	
Financing activities					
Payment of lease liabilities		(1,114)	(1,114)	-	
Proceed from bank borrowings	22	150,000	150,000	-	
Repayment of bank borrowings		(160,000)	(160,000)	-	
Bank deposits discharged/(pledged)	11	475	475	-	
Dividend paid	28	(148,000)	(148,000)	-	
Interest paid		(9,415)	(9,415)	-	
Net cash used in financing activities		(168,054)	(168,054)	-	



沃得
WORLD

WORLD PRECISION MACHINERY LIMITED
(Incorporated in Singapore)
(Co. Regn. No: 200409453N)

Consolidated statement of cash flows
Year ended 31 December 2024

	Group			
	2024	2024	2024	
	RMB'000	RMB'000	RMB'000	
	Per	Per Audited	Variance	Note
	Announcement	Financial Statement		
Net increase in cash and cash equivalents	(176,300)	(176,248)	52	
Cash and cash equivalents at beginning of the year	431,074	431,074	-	
Effect of exchange rate changes on cash and cash equivalents	10,152	10,100	(52)	(i)
Cash and cash equivalents at end of the year	264,926	264,926	-	
Cash and cash equivalents per consolidated statement of cash flows	264,926	264,926	-	
Bank deposits pledged	-	-	-	
Cash and cash equivalents per consolidated statement of financial statements	264,926	264,926	-	
Note A				
Total additions to property, plant and equipment	53,399	53,433	34	(i)
Less: Changes in unpaid portion	(2,153)	(2,528)	(375)	(iii)
Add: Changes in prepayments	-12,316	-12,316	-	
Purchase of property, plant and equipment per consolidated statement of cash flows	38,930	38,589	(341)	

Notes:

- (i) Foreign currency re-alignment due to exchange rate movements up to the balance sheet date.
- (ii) Re-classification of inventories from inventories written down to inventories due to inadvertent error when preparing the Unaudited Results 2024.
- (iii) Additional reclassification from other payables relating to property, plant and equipment to property, plant and equipment.