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

Unaudited Condensed Interim Financial Statements for the nine months ended 30 September 2024

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CONDENSED INTERIM CONSOLIDATED STATEMENT COMPREHENSIVE INCOME

		Group					
	Note	1.1.2024 to 30.9.2024	1.1.2023 to 30.9.2023 Restated	Change	1.7.2024 to 30.9.2024	1.7.2023 to 30.9.2023	Change
		RMB '000	RMB '000	%	RMB '000	RMB '000	%
Revenue	4	590,511	789,102	(25.2%)	163,248	231,451	(29.5%)
Cost of sales		(484,915)	(643,622)	(24.7%)	(131,608)	(183,628)	(28.3%)
Gross profit		105,596	145,480	(27.4%)	31,640	47,823	(33.8%)
Gross profit margin (%)		17.9%	18.4%	(0.5%)	19.4%	20.7%	(1.3%)
Other income	5	19,789	12,443	59.0%	4,861	5,336	(8.9%)
Distribution and selling expenses		(53,266)	(61,357)	(13.2%)	(17,565)	(22,884)	(23.2%)
Administrative expenses		(76,078)	(70,928)	7.3%	(24,475)	(25,630)	(4.5%)
Other expenses	6	(5,434)	(3,604)	48.3%	(12,160)	(5,553)	117.4%
Net (provision)/write-back of impairment losses on trade and other receivables	7	(1,807)	(1,477)	28.4%	–	374	N.M.
Results from operating activities		(11,200)	20,557	N.M.	(17,699)	(534)	(3,214.4%)
Finance income		8,962	10,852	(17.4%)	2,108	2,875	(26.7%)
Financial costs		(7,962)	(2,941)	170.7%	(2,540)	(1,418)	79.1%
Net finance income/(costs)		1,000	7,911	(87.4%)	(432)	1,457	N.M.
(Loss)/profit before tax	7	(10,200)	28,468	N.M.	(18,131)	923	N.M.
Tax credit/(expense)	8	1,848	(3,192)	N.M.	(248)	(2,373)	(89.6%)
(Loss)/profit for the period		(8,352)	25,276	N.M.	(18,379)	(1,450)	(1,167.5%)
Net(loss)/profit margin (%)		(1.4%)	3.2%	N.M.	(11.3%)	(0.6%)	(10.7%)
(Loss)/profit attributable to:							
Owners of the Company		(8,352)	25,274	N.M.	(18,379)	(1,451)	(1,166.6%)
Non-controlling interest		–	2	N.M.	–	1	N.M.
		(8,352)	25,276	N.M.	(18,379)	(1,450)	(1,167.5%)
Earnings per share (RMB per share)							
- Basic		(0.0209)	0.0632		(0.0459)	(0.0036)	
- Diluted		(0.0209)	0.0632		(0.0459)	(0.0036)	

N.M. denotes Not Meaningful



CONDENSED INTERIM CONSOLIDATED STATEMENT COMPREHENSIVE INCOME (CONT'D)

	Group					
Note	1.1.2024 to 30.9.2024	1.1.2023 to 30.9.2023	Change	1.7.2024 to 30.9.2024	1.7.2023 to 30.9.2023	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
(Loss)/profit for the period	(8,352)	25,276	N.M.	(18,379)	(1,450)	(1,167.5%)
<i>Other comprehensive income</i>						
Items that are or may be reclassified subsequently to profit and loss:						
Foreign currency translation differences - foreign operations	9,483	10,082	(5.9%)	15,379	1,882	717.2%
Total comprehensive income/(loss) for the period	1,131	35,358	(96.8%)	(3,000)	432	N.M.
Total comprehensive income/(loss) attributable to:						
Owners of the Company	1,131	35,356	(96.8%)	(3,000)	431	N.M.
Non-controlling interest	-	2	N.M.	-	1	N.M.
	1,131	35,358	(96.8%)	(3,000)	432	N.M.

N.M. denotes Not Meaningful



CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

	Note	Group		Company	
		30.9.2024 RMB '000	31.12.2023 RMB '000	30.9.2024 RMB '000	31.12.2023 RMB '000
Non-current assets					
Property, plant and equipment	10	654,206	682,303	3,147	–
Investment in subsidiaries		–	–	673,780	662,266
Investment properties	11	144,480	153,050	–	–
Goodwill	12	25,035	25,035	–	–
Intangible assets	13	20,880	26,992	–	–
Deferred tax assets		2,386	2,392	–	–
Other receivables	16	57,211	55,259	–	–
Total non-current assets		904,198	945,031	676,927	662,266
Current assets					
Inventories	14	380,855	352,656	–	–
Trade receivables	15	253,223	307,422	–	–
Other receivables	16	33,839	44,308	61	5,027
Due from related parties (trade)		127,446	84,877	–	–
Due from affiliated companies (trade)		–	64	–	–
Due from subsidiaries (non-trade)		–	–	665	501
Cash and cash equivalents	17	424,982	431,549	147,488	201,817
Total current assets		1,220,345	1,220,876	148,214	207,345
Total assets		2,124,543	2,165,907	825,141	869,611
Non-current liabilities					
Deferred tax liabilities		33,425	36,419	–	–
Deferred income from government grants		89	321	–	–
Bank borrowings	20	–	90,000	–	–
Lease liabilities		14,729	15,180	–	–
		48,243	141,920	–	–
Current liabilities					
Contract liabilities		100,482	94,576	–	–
Trade payables	18	501,580	524,735	–	–
Other payables	19	158,452	177,113	1,551	1,304
Due to related parties (trade)		8,990	13,456	–	–
Due to affiliated companies (trade)		3,773	2,234	–	–
Due to related parties (non-trade)		158,160	1,033	–	–
Due to a subsidiary (non-trade)		–	–	100,075	7,315
Lease liabilities		1,543	1,543	–	–
Deferred income from government grants		309	309	–	–
Bank borrowings	20	240,000	160,000	–	–
Income tax payables		3,827	2,935	–	–
Total current liabilities		1,177,116	977,934	101,626	8,619
Total liabilities		1,225,359	1,119,854	101,626	8,619
Net current assets		43,229	242,942	46,588	198,726
Net assets		899,184	1,046,053	723,515	860,992



CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Group		Company	
	30.9.2024 RMB '000	31.12.2023 RMB '000	30.9.2024 RMB '000	31.12.2023 RMB '000
Equity				
Share capital	20	250,660	250,660	250,660
Retained earnings		376,715	382,158	531,709
Currency translation reserve		43,461	90,697	78,623
Statutory reserves		131,251	–	–
Capital reserve		97,097	–	–
Total equity		899,184	723,515	860,992

Aggregate amount of the Group's borrowings and debt securities.

As at 30 September 2024 and 31 December 2023, the Group has the following borrowings and debt securities: -

	As at 30 September 2024		As at 31 December 2023	
	Secured RMB '000	Unsecured RMB '000	Secured RMB '000	Unsecured RMB '000
Non-current liabilities				
Bank borrowings	–	–	90,000	–
Current liabilities				
Bank borrowings	240,000	–	160,000	–

Details of any collateral

As at 30 September 2024, bank borrowings comprised the following:

- 1) RMB96.0 million is secured over the land and building of World Precise Machinery (China) Co., Ltd. ("WPMC") and corporate guarantees issued by Jiangsu World Plant-Protecting Machinery Co., Ltd. ("JWPPM") and Jiangsu World Furniture Co., Ltd., ("JWFC"). JWPPM and JWFC are associates of Mr Wang Weiyao, the Executive Chairman of the Company.
- 2) RMB54.0 million is secured over the land and building of WPMC and corporate guarantees issued by JWPPM and JWFC. JWPPM and JWFC are associates of Mr Wang Weiyao, the Executive Chairman of the Company.
- 3) RMB90.0 million is secured over the land use rights of Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd., and a corporate guarantee issued by Jiangsu World Machinery & Electronics Group Co., Ltd. ("JWMEG"). JWMEG is associate of Mr Wang Weiyao, the Executive Chairman of the Company.



CONDENSED INTERIM CONSOLIDATION STATEMENT OF CASH FLOWS

	Note	Group			
		9M24	9M23	3Q24	3Q23
		1.1.2024 to 30.9.2024	1.1.2023 to 30.9.2023 Restated	1.7.2024 to 30.9.2024	1.7.2023 to 30.9.2023
		RMB '000	RMB '000	RMB '000	RMB '000
Cash flow from operating activities					
(Loss)/profit before tax		(10,200)	28,468	(18,131)	923
Adjustments for:					
Amortisation of intangible assets	13	6,112	6,112	2,038	2,038
Bad debts written off – trade		90	9	90	9
Depreciation for investment properties	11	8,570	4,584	2,857	4,447
Depreciation of property, plant and equipment	7	46,422	48,314	15,409	14,099
Interest expense	7	7,567	2,703	2,335	1,538
Interest income	7	(8,962)	(10,852)	(2,108)	(2,875)
Net provision/(write-back) of impairment losses on trade and other receivables	7	1,807	1,477	–	(374)
Property, plant and equipment written off	6	545	127	–	15
Operating cash flow before working capital changes		51,951	80,942	2,490	19,820
Inventories		(28,199)	(8,128)	6,838	192
Trade and other receivables		20,267	8,930	12,442	(12,977)
Trade and other payables		109,501	(33,775)	119,083	(18,377)
Contract liabilities		5,907	6,757	4,516	13,678
Cash generated from operations		159,427	54,726	145,369	2,336
Interest received		8,962	8,356	2,108	6,024
Income taxes and withholding tax paid		(249)	(4,945)	(723)	(6,972)
Net cash from operating activities		168,140	58,137	146,754	1,388
Cash flow from investing activities					
Purchases of property, plant and equipment	Note A	(18,095)	(39,263)	(11,226)	(20,512)
Additions of investment properties		–	(429)	–	(429)
Acquisition of a new subsidiary	Note B	–	(147,440)	–	–
Repayment from loan to a third party		–	100,000	–	100,000
Effect of foreign currency re-alignment on investing activities		10,928	(602)	22,446	(8,977)
Net cash (used in)/from investing activities		(7,167)	(87,734)	11,220	70,082
Cash flow from financing activities					
Proceed from bank loans		150,000	250,000	–	100,000
Repayment of bank loans		(160,000)	–	(5,000)	–
Payment of lease liabilities		(1,045)	(423)	(348)	(204)
Bank deposit pledge		–	(475)	–	(475)
Bank deposits released from pledge		475	–	475	–
Dividend paid	9	(148,000)	(150,000)	–	(150,000)
Interest paid		(6,974)	(2,703)	(2,138)	(1,538)
Net cash (used in)/from financing activities		(165,544)	96,399	(7,011)	(52,217)



CONDENSED INTERIM CONSOLIDATION STATEMENT OF CASH FLOWS (CONT'D)

	Note	Group			
		9M24	9M23	3Q24	3Q23
		1.1.2024 to 30.9.2024 RMB '000	1.1.2023 to 30.9.2023 RMB '000	1.7.2024 to 30.9.2024 RMB '000	1.7.2023 to 30.9.2023 RMB '000
Net (decrease)/increase in cash and cash equivalents		(4,571)	66,802	150,963	19,253
Cash and cash equivalents at beginning of the period		431,074	334,543	281,154	381,919
Effect of exchange rate changes on cash and cash equivalents		(1,521)	10,684	(7,135)	10,857
Cash and cash equivalents at end of the period	17	424,982	412,029	424,982	412,029
Cash and cash equivalents per consolidated statement of cash flows		424,982	412,029	424,982	412,029
Cash deposits pledged		–	475	–	475
Cash and cash equivalents as per consolidated statement of financial positions		424,982	412,504	424,982	412,504

Note A

	Note	9M24	9M23	3Q24	3Q23
		1.1.2024 to 30.9.2024 RMB '000	1.1.2023 to 30.9.2023 RMB '000	1.7.2024 to 30.9.2024 RMB '000	1.7.2023 to 30.9.2023 RMB '000
Total additions to property, plant and equipment		18,795	9,265	5,865	5,542
(Less)/add: changes in unpaid portion		(2,650)	749	2,303	2,537
Add: changes in prepayments		1,950	29,249	3,058	12,433
Purchase of plant, property and equipment per consolidated statement of cash flows		18,095	39,263	11,226	20,512



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Note B

Acquisition of subsidiary

On 1 June 2023, the Group acquired 100% equity interest in Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd. for the purpose of investment, in line with the Group's long-term business and investment strategy so as to utilise cash in excess of the Group's short to medium term budgeted working capital and long term capital expenditure requirements.

Fair values of the identifiable assets and liabilities of Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd. as at the date of acquisition

	Fair value recognised on date of acquisition RMB'000
Assets	
Property, plant and equipment	34,169
Land use rights	122,957
Cash and cash equivalents	23
	<hr/>
	157,149
Liabilities	
Other payables	58
Deferred tax liabilities	33,316
	<hr/>
	33,374
Net identifiable assets at fair value	<hr/> <hr/> 123,775
Goodwill arising from acquisition	25,035
Total consideration	<hr/> <hr/> 148,810

The deferred tax liability mainly comprised the tax effect of the accelerated depreciation for tax purposes of tangible assets.

Transaction costs related to the acquisition of RMB547,500 had been recognised in the Group's profit or loss for the financial year ended 31 December 2023.

From the date of acquisition, Wanning Yinhu Hot Spring Holiday Hotel Co., which is the Group's recent investment, has not commenced operations, and accordingly there is no material financial impact on the results of the Group.

Effects of the acquisition of the subsidiary on cash flows

	RMB'000
Total consideration for 100% equity interest acquired	148,810
Consideration payable in cash (As above)	(1,370)
Consideration paid in cash	<hr/> 147,463
Less: Cash and cash equivalents of subsidiary acquired	<hr/> (23)
Net cash outflow on acquisition during the financial year ended 31 December 2023	<hr/> <hr/> 147,440



CONDENSED STATEMENTS OF CHANGES IN EQUITY

Group

	Note	Share capital RMB'000	Retained earnings RMB'000	Currency translation reserve RMB'000	Statutory reserves RMB'000	Capital reserve RMB'000	Total equity RMB'000
Balance as at 1.1.2024		250,660	533,416	33,978	130,902	97,097	1,046,053
Total comprehensive (loss)/income for the period							
Loss for the period		–	(8,352)	–	–	–	(8,352)
<i>Other comprehensive income</i>							
Currency translation differences arising on consolidation		–	–	9,483	–	–	9,483
<i>Total comprehensive (loss)/income for the period</i>		–	(8,352)	9,483	–	–	1,131
Transactions with owners, recognised directly in equity							
<i>Distributions to owners</i>							
Dividend paid	9	–	(148,000)	–	–	–	(148,000)
<i>Total distributions to owners</i>		–	(148,000)	–	–	–	(148,000)
Transfer to statutory reserves fund		–	(349)	–	349	–	–
Balance as at 30.9.2024		250,660	376,715	43,461	131,251	97,097	899,184



CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Group

	Note	Share capital	Retained earnings Restated	Currency translation reserve	Statutory reserves	Capital reserve	Total equity attributable to owners of the Company	Non-controlling interests	Total equity Restated
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2023		250,660	679,499	18,579	128,801	97,097	1,174,636	–	1,174,636
Total comprehensive income for the period									
Profit for the period		–	25,276	–	–	–	25,276	(2)	25,274
<i>Other comprehensive income</i>									
Currency translation differences arising on consolidation		–	–	10,082	–	–	10,082	–	10,082
<i>Total comprehensive income for the period</i>		–	25,276	10,082	–	–	35,358	(2)	35,356
Transactions with owners, recognised directly in equity									
<i>Distributions to owners</i>									
Dividend paid	9	–	(150,000)	–	–	–	(150,000)	–	(150,000)
<i>Total distributions to owners</i>		–	(150,000)	–	–	–	(150,000)	–	(150,000)
Transfer to statutory reserves fund		–	(2,602)	–	2,602	–	–	–	–
Balance as at 30.9.2023		250,660	552,173	28,661	131,403	97,097	1,059,994	(2)	1,059,992



CONDENSED STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Company

	Note	Share capital RMB'000	Retained earnings RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
Balance as at 1.1.2024		250,660	531,709	78,623	860,992
Total comprehensive (loss)/income for the period					
Loss for the period		-	(1,551)	-	(1,551)
<i>Other comprehensive income</i>					
Currency translation differences arising from translation into the presentation currency		-	-	12,074	12,074
<i>Total comprehensive (loss)/income for the period</i>		-	(1,551)	12,074	10,523
Transactions with owners, recognised directly in equity					
<i>Distributions to owners</i>					
Dividend paid	9	-	(148,000)	-	(148,000)
<i>Total distributions to owners</i>		-	(148,000)	-	(148,000)
Balance as at 30.9.2024		250,660	382,158	90,697	723,515
Balance as at 1.1.2023		250,660	531,828	38,509	820,997
Total comprehensive income for the period					
Profit for the period		-	154,407	-	154,407
<i>Other comprehensive income</i>					
Currency translation differences arising from translation into the presentation currency		-	-	37,054	37,054
<i>Total comprehensive income for the period</i>		-	154,407	37,054	191,461
Transactions with owners, recognised directly in equity					
<i>Distributions to owners</i>					
Dividend paid	9	-	(150,000)	-	(150,000)
<i>Total distributions to owners</i>		-	(150,000)	-	(150,000)
Balance as at 30.9.2023		250,660	536,235	75,563	862,458



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Explanatory Notes:

Capital Reserve

Capital reserve arises from amalgamation of subsidiaries. With effect from 1 December 2015, WHMT, WCNC and WPMM were amalgamated into WPMC. This reserve is non-distributable.

Statutory Reserves

The non-distributable statutory reserves represent amounts set aside in compliance with the local laws in People's Republic of China ("**PRC**") where the subsidiaries operate. The subsidiaries are considered a foreign investment enterprise 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 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 as determined in accordance with the applicable Chinese accounting standards and regulations must be allocated to the SRF until the cumulative total of the SRF reaches 50% of the registered capital of the respective subsidiaries.

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



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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

World Precision Machinery Limited (the “**Company**”) is a company incorporated in the Republic of Singapore and listed on the Main Board of the Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the nine months ended 30 September 2024 (“**9M24**”) comprised the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are as follow: -

Name of subsidiaries	Principal activities	Country of incorporation and place of business	Ownership interest held	
			30 September 2024 %	31 December 2023 %
<i>Held by the Company</i>				
World Precise Machinery (China) Co., Ltd.	Manufacture and supply of stamping machines and metal parts	PRC	100	100
World Precise Machinery (Shenyang) Co., Ltd.	Manufacture and supply of stamping machines and metal parts	PRC	100	100
World Precise Machinery Parts (Jiangsu) Co., Ltd.	Research and development, and manufacturing of key components of all types of precision machine tools	PRC	100	100
Hainan World Tourism Investment Co., Ltd.	Hotel investment and management services.	PRC	100	100
World Precise Machinery (Thailand) Co., Ltd.	Manufacture and supply of stamping machines and metal parts	Thailand	5	5



1. Corporate information (cont'd)

Name of subsidiaries	Principal activities	Country of incorporation and place of business	Ownership interest held	
			30 September 2024	31 December 2023
			%	%
<i>Held by World Precise Machinery (China) Co., Ltd.</i>				
Jiangsu World Tourism Investment Management Co., Ltd.	Hotel investment and management services.	PRC	100	100
World Precise Machinery (Thailand) Co., Ltd.	Manufacture and supply of stamping machines and metal parts	Thailand	90	90
<i>Held by World Precise Machinery Parts (Jiangsu) Co., Ltd.</i>				
World Precise Machinery (Thailand) Co., Ltd.	Manufacture and supply of stamping machines and metal parts	Thailand	5	5
<i>Held by Hainan World Tourism Investment Co., Ltd.</i>				
Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd.	Hotel operator and management services.	PRC	100	100

2. Basis of preparation

The condensed interim financial statements for the nine months ended 30 September 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.



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2. Basis of preparation (cont'd)

The condensed interim financial statements are presented in Chinese Renminbi (“**RMB**”) and all values in the tables are rounded to the nearest thousand (\$'000), except when otherwise indicated.

The functional currency of the Company and its principal entities in the PRC is Singapore dollar (“**SGD**”) and RMB respectively.

2.1 New and amended standards adopted by the Group

The Group has adopted all the new and revised Singapore Financial Reporting Standards (International) (“**SFRS(I)**”) and SFRS(I) Interpretations (“**SFRS(I) INTs**”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024, where applicable. The adoption of these standards from the effective date has not resulted in material adjustments to the financial position, results of operations or cash flows of the Group for 9M24. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards

2.2 Use of estimates and judgements

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group’s accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

2.2.1 Critical judgements in applying the entity’s accounting policies.

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Group’s accounting policies and which have a significant effect on the amounts recognised in the financial statements.

(i) Determination of functional currency

The Group translates foreign currency items into the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the respective entities, judgement is used by the Group to determine the currency of the primary economic environment in which the respective entities operate. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

2.2.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.



2.2 Use of estimates and judgements (cont'd)

2.2.2 Key sources of estimation uncertainty (cont'd)

(i) Measurement of ECL of trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors, including their best estimate of the impact of COVID-19, specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the countries and the growth rates of the major industries in which its customers operate. The Group adjusts the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The expected loss allowance on the Group's trade receivables as at 30 September 2024 is RMB20,310,000 (2023: RMB18,503,000) (Note 15).

(ii) Measurement of ECL of other receivables

The Company held other receivables due from a subsidiary. The Company uses an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default. Loss allowances for amount due from employees are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the employee and an assessment of both the current and forecast general economic conditions at the reporting date. Impairment on loan to a third party has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group's assessment is based on qualitative and quantitative factors that are indicative of the risk of default. Remaining other receivables loss rates are based on actual credit loss experience over the past three years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. The expected loss allowance on the Group's other receivables as at 30 September 2024 is RMB2,258,000 (2023: RMB2,258,000) (Note 16).

(iii) Valuation of property, plant and equipment, investment property and intangible assets

Property, plant and equipment, investment property and intangible assets are assessed at the end of each financial year to ascertain whether there is an indication of impairment, if such indications are found, the recoverable amounts of the assets are estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in profit or loss.



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2.2 Use of estimates and judgements (cont'd)

2.2.2 Key sources of estimation uncertainty (cont'd)

- (iii) Valuation of property, plant and equipment, investment property and intangible assets (cont'd)

Management judgement is required in the area of asset impairment, particularly in assessing (i) whether an event has occurred that may indicate that the related asset values may not been recoverable; (ii) whether the carrying value of an asset can be supported by the market value or the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key inputs and assumptions to be applied in estimating the market value of preparing the cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, could materially affect the net present value used in the impairment test and as a result may potentially affect the Group's results. The carrying amount of the Group's property, plant and equipment, investment property and intangible assets as at 30 September 2024 was RMB654,206,000 (2023: RMB 682,303,000), RMB144,480,000 (2023: RMB153,050,000) and RMB20,880,000 (2023: RMB26,992,000) respectively.

- (iv) Depreciation of property, plant and equipment

The Group depreciates the property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. The residual value reflects management's estimated amount that the Group would currently obtain from the disposal of the asset, after deducting the estimated costs of disposal, as if the asset were already of the age and in the condition expected at the end of its useful life. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amount of the Group's property, plant and equipment as at 30 September 2024 was RMB654,206,000 (2023: RMB682,303,000).

- (v) Inventory valuation method

Inventory is valued at the lower of cost and net realisable value. Management reviews the Group's inventory levels in order to identify slow-moving and obsolete inventory and identifies items of inventory which have a market price, being the selling price quoted from the market of similar items, that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventory. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory which could then consequentially impact the Group's and Company's results, cash flows and financial position. The carrying amount of the Group's inventories as at 30 September 2024 was RMB 380,855,000 (2023: RMB352,656,000). The allowance on the Group's inventory as at 30 September 2024 was RMB18,071,000 (2023: RMB18,071,000).



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2.2 Use of estimates and judgements (cont'd)

2.2.2 Key sources of estimation uncertainty (cont'd)

(vi) Provision for income taxes

The Group mainly has exposure to income taxes in the PRC. Due to its inherent nature, judgement is involved in determining the Group's provisions for income taxes. The Group recognised liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provision in the financial year in which such determination is made. The carrying amount of the Group's current income tax payables as at 30 September 2024 was RMB3,827,000 (2023: RMB2,935,000).

(vi) Impairment of goodwill

The Group tests goodwill for impairment at least on an annual basis. Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating units (the "CGU") to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. No impairment loss was recognised during the financial period. The carrying amount of goodwill as at 30 September 2024 was RMB25,035,000 (2023: RMB25,035,000).

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is principally engaged in manufacturing and sale of conventional and high performance and high tonnage stamping machines and metal parts. All business activities are of a similar nature and subject to similar risks and returns. Accordingly, the Group's operating activities are mainly attributable to a single reportable operating segment.

Geographical information

The Group's revenue, expenses, results, assets and liabilities and capital expenditures are predominantly attributable to a single geographical region, the PRC, which is the Group's principal place of business and operations. Therefore, no analysis by geographical region is presented.

Information about major customer

No external customers individually contributed 10% or more of the Group's total revenue.



4. Segment and revenue information (cont'd)

4.1 Disaggregation of revenue

Revenue comprises sales of conventional stamping machines, high performance and high tonnage stamping machines and metal parts. All sales are recognised at a point in time.

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
Conventional stamping machines	12,626	16,546	4,525	4,128
High performance and high tonnage stamping machines	489,847	705,508	137,813	214,077
Metal parts	88,038	67,048	20,910	13,246
	590,511	789,102	163,248	231,451

5. Other income

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
Sales of raw and scrap materials	5,466	4,901	1,842	1,459
Cost of raw and scrap materials sold	(4,053)	(4,060)	(1,652)	(1,302)
Gain from disposals of raw and scrap materials	1,413	841	190	157
Government grants and subsidies	12,484	9,836	4,165	4,541
Processing income	1,116	1,125	359	323
Rental income, net	658	351	117	117
Gain on stock count	4,045	–	–	–
Others	73	290	30	198
	19,789	12,443	4,861	5,336

6. Other expenses

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
Bad debts written off – trade	90	9	90	9
Donation **	–	4,200	–	4,200
Government comprehensive fund	148	148	–	–
Loss/(gain) on foreign currency exchange	4,482	(800)	11,389	1,418
Inventories written off	557	–	557	–
Property, plant and equipment written off	545	127	–	15
Others	(388)	(80)	124	(89)
	5,434	3,604	12,160	5,553

** As part of group's ESG effort, the Group's has donated 2 set of high precision medical equipment to local hospital where the group's main business operated.



7. Profit before tax

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
Income				
Interest income	(8,962)	(10,852)	(2,108)	(2,875)
Expenses				
Amortisation of intangible assets	6,112	6,112	2,038	2,038
Depreciation of investment properties	8,570	4,584	2,857	4,447
Depreciation of property, plant and equipment	46,422	48,314	15,409	14,099
Net provision/(write-back) of impairment losses on trade and other receivables	1,807	1,477	–	(374)
Interest expense	7,567	2,703	2,335	1,538

7.1 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following related party transactions took place between the Group and related parties during the financial year on terms agreed by the parties concerned:

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
Related companies				
<i>Income</i>				
Sales to related companies	94,757	67,966	20,021	20,021
Processing services to related companies	2,376	2,289	900	900
<i>Expenses</i>				
Lease of premises from a related company	450	450	150	150
Processing services from related companies	4,366	4,041	3,297	3,297
Purchases of machineries and parts from related companies	3,432	625	922	922
Purchases of raw materials from related companies	7,949	27,816	8,934	8,934
Purchases of scrap materials from related companies	20,669	13,988	12,302	12,302
Affiliated companies				
<i>Income</i>				
Sales to affiliated companies	915	602	248	248
Processing services to affiliated companies	41	8	11	11
<i>Expenses</i>				
Purchases of raw materials from related companies	200	500	196	196
Purchases of scrap materials from affiliated companies	3,171	797	465	465



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7.1 Related party transactions (cont'd)

Key management personnel compensation

Key management personnel compensation is analysed as follows:

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
Directors of the Company:				
- short-term employee benefits	1,453	308	493	90
- defined contribution benefits	38	21	12	3
- directors' fees	787	966	251	312
	2,278	1,295	756	405
Other key management personnel:				
- short-term employee benefits	3,163	2,997	1,055	997
- defined contribution benefits	111	114	37	34
	3,274	3,111	1,092	1,031
	5,552	4,406	1,848	1,436

8. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
<i>Income tax</i>				
- Current year	979	1,853	-	204
- Under provision in respect of prior years	162	(4,332)	16	(4,332)
<i>Deferred tax credit</i>				
- Origination and reversal of temporary differences	(2,491)	(2,116)	628	(1,286)
<i>Withholding tax</i>	(498)	7,787	(396)	7,787
	(1,848)	3,192	248	2,373

9. Dividends

The following tax exempt (one-tier) dividends were declared and paid by the Group and Company:

	Group & Company			
	1.1.2024 to 30.9.2024 RMB'000	1.1.2023 to 30.9.2023 RMB'000	1.7.2024 to 30.9.2024 RMB'000	1.7.2023 to 30.9.2023 RMB'000
<i>Paid by the Company to owners of the Company</i>				
RMB37.0 cents per qualifying ordinary share (2023: RMB37.5 cents)	148,000	150,000	-	-
	148,000	150,000	-	-



10. Property, plant and equipment

During the nine months ended 30 September 2024, the Group acquired assets at cost amounting to RMB18.8 million (2023: RMB17.4 million) and disposed of assets at cost amounting to RMB1.6 million (2023: RMB0.3 million)

Impairment of property, plant and equipment and intangible assets

The Group reviews the carrying amounts of the assets as at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are determined based on the greater of its value in use and its fair value less costs of disposal for the allocated CGU.

11. Investment properties

	Group	
	30.09.2024 RMB'000	31.12.2023 RMB'000
Cost		
At beginning and end of the period	165,269	7,208
Additions	–	818
Additions from acquisition of a new subsidiary	–	157,126
	165,269	165,152
Accumulated amortisation		
At beginning of the period	12,219	4,383
Charge for the period	8,570	7,719
At end of the period	20,789	12,102
Net carrying value		
At end of the period	144,480	153,050
Fair value		
At end of the period	173,388	173,388

Investment property comprises a commercial property that is leased to the third parties. The lease contains a non-cancellable period varying from 3 to 6 years (2023: 3 to 6 years), with a fixed annual rent.

Fair value hierarchy

The fair value of the investment property was determined by the Group using management's valuation using the direct comparison method with reference to other similar properties.

The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the input to the valuation techniques used. The significant unobservable input includes price per square foot of RMB22,733 (2023: RMB22,733). A decrease in the price per square foot would result in a lower fair value. The fair value of the Group's investment properties is approximately RMB173,388,000 (2023: RMB173,388,000).



12. Goodwill

	Group	
	30.9.2024 RMB'000	31.12.2023 RMB'000
Cost		
At beginning of the period	25,035	–
Additions	–	25,035
At end of the period	25,035	25,035
Carrying amount		
At end of the period	25,035	25,035

Goodwill acquired in a business combination is allocated to the CGU that are expected to benefit from the business combination.

During the financial year ended 31 December 2023, goodwill with carrying amount of RMB25,035,000 was acquired through the purchase of Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd.

The Group tests the CGU for impairment annually, or more frequently when there is an indication for impairment.

The Group has measured the recoverable amount of the CGU, which comprised the land and property, plant and equipment acquired on the business combination, based on fair value less cost of disposal. The Group has determined the fair value of the CGU based on the valuation performed by an external professional valuer. The valuer has appropriate recognised professional qualifications and recent experience in the location and category of assets being valued. In relying on the valuation reports, the Group has exercised its judgement and is satisfied that the valuation method and estimates are reflective of current market conditions. The fair value measurement was categorised as a Level 3 in the fair value hierarchy as it is derived from unobservable inputs.

Details of valuation techniques and key inputs for the estimation of the recoverable amounts of the CGU based on fair value less cost of disposal:

Type	Valuation technique and significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<ul style="list-style-type: none"> • Leasehold buildings • Plant and machinery • Electrical fittings • Tools and equipment • Motor vehicles 	<p>Depreciated replacement cost method: Aggregated amount of gross replacement cost of the building and plant and machinery from which appropriate deductions may then be made for the age, condition, economic or functional obsolescence and environmental factors.</p>	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"> • replacement cost is higher/(lower); or • depreciation is lower/(higher).
Leasehold land	<p>Direct comparison method: The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sales price to those reflective of the leasehold land.</p>	<p>The estimated fair value would increase/(decrease) if price psm was higher/(lower).</p>

Management is of the view that no reasonable possible changes in any of the key assumptions would cause the CGU's carrying amount to exceed its recoverable amount or result in the CGU's carrying amount to be equal to its recoverable amount.



12. Goodwill (cont'd)

There is no impairment for goodwill identified by the management for the financial period.

13. Intangible assets

	Group	
	30.9.2024 RMB '000	31.12.2023 RMB '000
Development costs		
Cost		
At beginning of the period	106,193	102,304
Additions	–	3,889
At end of the period	106,193	106,193
Accumulated amortisation		
At beginning of the period	79,201	71,052
Amortisation charge for the period	6,112	8,149
At end of the period	85,313	79,201
Net carrying value		
At end of the period	20,880	26,992

Impairment of intangible assets

The Group reviews the carrying amounts of the assets as at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is determined based on the greater of its value in use and its fair value less costs of disposal for the allocated CGU.

14. Inventories

	Group	
	30.9.2024 RMB'000	31.12.2023 RMB'000
Finished goods	77,851	89,238
Work-in-progress and components parts	225,176	194,204
Raw materials	77,828	69,214
	380,855	352,656

Write-down for slow-moving and obsolete inventories

The Group assesses performs assessment on the condition of its inventories at the end of each reporting period and write down slow-moving and obsolete inventories identified. Management considers future demand, expected selling prices and ageing analysis of the inventories as part of its assessment process to arrive at their best estimate of the net realisable value of inventories. Such evaluation process requires significant judgement and may affect the carrying amount of inventories at the balance sheet date.

In 9M24, a write-down for slow-moving and obsolete inventories to net realisable value amounting to RMB nil (2023: RMB1,986,000) was recognised in "cost of sales" due to slow-moving inventories and obsolete raw materials.



15. Trade receivables

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
Trade receivables	131,282	152,613	–	–
Less: allowance for expected credit losses	(20,310)	(18,503)	–	–
	110,972	134,110	–	–
Bills receivables	142,251	173,312	–	–
	253,223	307,422	–	–

The movements in allowance for impairment in respect of trade receivables during the financial period were as follows:

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
At beginning of the period	18,503	19,570	–	–
Provision for impairment losses	1,807	–	–	–
Reversal of allowance for impairment losses	–	(1,067)	–	–
At end of the period	20,310	18,503	–	–

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses:

<u>Description of evaluation of financial assets</u>	<u>Basis for recognition and measurement of ECL</u>
Debtors have a low risk of default and does not have any past due amount	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.



15. Trade receivables (cont'd)

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- historical and current payment patterns of the debtors;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and
- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtors.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying a significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 180 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

16. Other receivables

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
Amount due from employees	4,430	4,474	–	–
Less: allowance for expected credit losses	(2,258)	(2,258)	–	–
	2,172	2,216	–	–
Advance payments to suppliers	8,183	14,288	–	–
VAT receivables	–	527	–	–
Other prepayments	1,313	582	61	–
Prepayments for property, plant and equipment	57,211	55,259	–	–
Interest receivable	–	5,027	–	5,027
Tax recoverable	34	–	–	–
Other receivables	22,137	21,668	–	–
	<u>91,050</u>	<u>99,567</u>	<u>61</u>	<u>5,027</u>
Non-current	57,211	55,259	–	–
Current	33,839	44,308	61	5,027
	<u>91,050</u>	<u>99,567</u>	<u>61</u>	<u>5,027</u>



16. Other receivables (cont'd)

The movements in allowance for impairment in respect of other receivables during the financial period were as follows:

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
At beginning of the period	2,258	1,725	–	–
Provision for impairment losses	–	533	–	–
At end of the period	<u>2,258</u>	<u>2,258</u>	<u>–</u>	<u>–</u>

Loss allowances for amount due from employees are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the employee and an assessment of both the current and forecast general economic conditions at the reporting date.

17. Cash and cash equivalents

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
Cash at banks and on hand	424,982	127,223	147,488	2,880
Fixed deposit	–	304,326	–	198,937
	<u>424,982</u>	<u>431,549</u>	<u>147,488</u>	<u>201,817</u>

As at 31 December 2023, the Group's fixed deposit placed with a financial institution matured within 1 month (2022: 1 month) from the end of the reporting period. The interest rate is 5.18% (2022: 3.10%) per annum.

18. Trade payables

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
Trade payables	<u>501,580</u>	<u>524,735</u>	<u>–</u>	<u>–</u>

Trade payables included reclassification of bill receivables of RMB111,343,000 (2023: RMB128,286,000)

Trade payables are non-interest bearing with credit periods ranging from 3 to 6 months (2023: 3 to 6 months).



19. Other payables

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
Accrued operating expenses	116,540	137,295	1,551	1,304
VAT payables	4,054	19,570	–	–
Other tax payables	545	1,056	–	–
Bonus payables	24,537	8,924	–	–
Payables relating to property, plant and equipment	12,776	10,268	–	–
	<u>158,452</u>	<u>177,113</u>	<u>1,551</u>	<u>1,304</u>

20. Bank borrowings

	Group		Company	
	30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
Secured				
Bank borrowings	240,000	250,000	–	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	<u>(240,000)</u>	<u>(160,000)</u>	–	–
Amount due for settlement after 12 months	–	90,000	–	–

The Group's secured bank borrowings consisted mainly of the following loans:

- (i) Bank loan A relates to a RMB96,000,000 bank loan that is secured over land and building of WPMC and corporate guarantees issued by associates of the Executive Chairman of the Company. The effective interest rate of the bank loans at the reporting date is 3.75% (2023: 3.95%) per annum and repayable in full 1 year from drawdown date.
- (ii) Bank loan B relates to a RMB54,000,000 bank loan that is secured over land and building of WPMC and corporate guarantees issued by associates of the Executive Chairman of the Company. The effective interest rate of the bank loans at the reporting date is 3.75% (2023: 3.95%) per annum and repayable in full 1 year from drawdown date.
- (iii) Bank loan C relates to a RMB90,000,000 (2023: RMB100,000,000) bank loan that is secured over land use rights of Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd. and a corporate guarantee issued by an associate of the Executive Chairman of the Company. The effective interest rate of the bank loans at the reporting date is 3.65% (2023: 3.65%) per annum. Repayment commenced on 21 March 2024 with the final repayment on 21 September 2025.

The carrying amount of bank loans approximate their fair values due to either the relatively short-term maturity of these loans or the interest rates approximate the market rates prevailing at end of the financial year.



21. Share capital

	Group and Company			
	30.9.2024 No. of shares RMB'000	30.9.2024 RMB'000	31.12.2023 No. of shares RMB'000	31.12.2023 RMB'000
Issued and fully paid ordinary shares, with no par value				
At beginning and end of period	400,000	250,660	400,000	250,660

All issued shares are fully paid ordinary shares with no par value.

The holders of the ordinary shares are entitled to receive dividend as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

22. Accounting classifications and fair values

The carrying amount of the different categories of financial instruments is disclosed on the face of the statements of financial position and as follows:

	Note	Group		Company	
		30.9.2024 RMB'000	31.12.2023 RMB'000	30.9.2024 RMB'000	31.12.2023 RMB'000
<i>Financial assets at amortised cost</i>					
Trade receivables	15	110,972	134,110	–	–
Other receivables*	16	24,309	28,911	–	5,027
Due from related parties (trade)		127,446	84,877	–	–
Due from affiliated companies (trade)		–	64	–	–
Due from subsidiaries (non-trade)		–	–	665	501
Cash and cash equivalents	17	424,982	431,549	147,488	201,817
		<u>687,709</u>	<u>679,511</u>	<u>148,153</u>	<u>207,345</u>
<i>Financial assets measured at FVOCI</i>					
Bill receivables	15	142,251	173,312	–	–
<i>Financial liabilities at amortised cost</i>					
Trade payables	18	501,580	524,735	–	–
Other payables #	19	153,853	156,487	1,551	1,304
Due to related parties (trade)		8,990	13,456	–	–
Due to affiliated companies (trade)		3,773	2,234	–	–
Due to subsidiaries (non-trade)		–	–	100,075	7,315
Due to related parties (non-trade)		158,160	1,543	–	–
Lease liabilities		16,272	16,723	–	–
Bank borrowings	20	240,000	250,000	–	–
		<u>1,082,628</u>	<u>965,178</u>	<u>101,626</u>	<u>8,619</u>

* Excludes VAT receivables, advance payments to suppliers, prepayments and tax recoverable

Excludes VAT payables, other tax payables and deferred income.

Estimation the fair value

The fair values of applicable assets and liabilities are determined and categorised using a fair value hierarchy as follows:

(a) Level 1 – the fair values of assets and liabilities with standard terms and conditions and which trade in active liquid markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).



22. Accounting classifications and fair values (cont'd)

Estimation the fair value (cont'd)

(b) Level 2 – in the absence of quoted market prices, the fair values of the assets and liabilities (excluding derivative instruments) are determined using the other observable, either directly or indirectly, inputs such as quoted prices for similar assets/liabilities in active markets, quoted prices for identical or similar assets/liabilities in non-active markets.

(c) Level 3 – in the absence of quoted market prices included within Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
<u>Recurring Fair Value Measurement</u>			
<u>Group</u>			
<u>2024</u>			
Financial assets:			
Bills receivables	-	142,251	-
	<hr/>	<hr/>	<hr/>
<u>2023</u>			
Financial assets:			
Bills receivables	-	173,312	-
	<hr/>	<hr/>	<hr/>

Except as disclosed in the respective notes, the carrying amounts of the current financial assets and financial liabilities approximate their respective fair values.

The fair values of the bills receivable in Level 2 have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values have been assessed to be approximate to their carrying amounts.



OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

- 1(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 nine months ended 30 September 2024, 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.

The Company does not have any treasury shares and there are no subsidiary holdings.

- 1(b) 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 30 September 2024	As at 31 December 2023
Total number of issued shares	400,000,000	400,000,000
Less: treasury shares	-	-
Total number of issued shares excluding treasury shares	<u>400,000,000</u>	<u>400,000,000</u>

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

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

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

Not applicable as the Company does not have any subsidiary that holds shares issued by the Company.

- 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 Company's auditors.



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

Not applicable.

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

This is not required for any audit issue that is a material uncertainty relating to going concern.

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 most recently audited annual financial statements.

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.

The Group has adopted all new and revised and interpretations of Singapore Financial Standards (International) ("SFRS(I)") that are relevant to its operations and effective for annual periods beginning after 1 January 2024. The adoption of these new and revised SFRS(I) did not result in significant changes to the Group's accounting policies and amounts reported for the current and prior periods.

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.

	1.1.2024 to 30.9.2024	1.1.2023 to 30.9.2023	1.7.2024 to 30.9.2024	1.7.2023 to 30.9.2023
(a) Based on weighted average number of ordinary share on issue (RMB); and	(0.0209)	0.0632	(0.0459)	(0.0036)
(b) On a fully diluted basis (RMB)	(0.0209)	0.0632	(0.0459)	(0.0036)
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 the total number of issued shares 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	
	30.9.2024	31.12.2023	30.9.2024	31.12.2023
	RMB	RMB	RMB	RMB
Net asset value (“NAV”) per ordinary share based on issued share capital at the end of the respective periods:	2.25	2.62	1.81	2.15
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.**

REVIEW OF PERFORMANCE

(A) Consolidated Statement of Profit or Loss and Other Comprehensive Income

(i) Revenue

For the 3 months ended 30 September 2024 (“**3Q24**”), the Group’s turnover decreased by 29.5% to RMB163.2 million from RM231.5 million for the 3 months ended 30 September 2023 (“**3Q23**”).

In terms of sales performance for 3Q24, sales of conventional stamping machines increased by 9.6% while sales of high performance and high tonnage stamping machines decreased by 35.6% compared to 3Q23 respectively.

For the 9 months ended 30 September 2024 , the Group’s turnover decreased by 25.2% to RMB590.5 million from RMB789.1 million for the 9 months ended 30 September 2023 (“**9M23**”).

In terms of sales performance for 9M24, sales of conventional stamping machines decreased by 23.7% while sales of high performance and high tonnage stamping machines decreased by 30.6% compared to 9M23 respectively.

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



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(ii) Gross Profit

The Group's gross profit for 3Q24 decreased by 33.8% to RMB31.6 million from RMB47.8 million in 3Q23. The gross profit margin decreased by 1.3% to 19.4% in 3Q24 from 20.7% in 3Q23.

In terms of gross profit margin for 3Q24, gross profit margin for conventional stamping machines increased by 8.2% to 26.3% from 18.1% in 3Q23 while gross profit margin for high performance and high tonnage stamping machines increased by 0.5% to 20.7% from 20.2% in 3Q23.

The Group's gross profit for 9M24 decreased by 27.4% to RMB105.6 million from RMB145.5 million in 9M23. The gross profit margin for 9M24 decreased by 0.5% to 17.9% from 18.4% in 9M23.

In terms of gross profit margin for 9M24, gross profit margin for conventional stamping machines decreased by 1.3% to 19.7% from 21.0% in 9M23 while gross profit margin for high performance and high tonnage stamping machines increased by 0.5% to 19.0% from 18.5% in 9M23.

Overall, the decrease in the Group's gross profit margin was mainly due to a decrease in production of conventional stamping machines and high performance and high tonnage stamping machines and a downward revision in the average selling prices of the stamping machines which were partially offset by a decrease in raw materials costs.

(iii) Other Income

In 3Q24, other income decreased by 8.9% to RMB4.9 million from RMB5.3 million in 3Q23.

In 9M24, other income increased by 59.0% to RMB19.8 million from RMB12.4 million in 9M23.

The increase was mainly due to an increase in government grants and subsidies received and a gain on stock count.

(iv) Distribution and Selling Expenses

In 3Q24, distribution and selling expenses decreased by 23.2% to RMB17.6 million from RMB22.9 million in 3Q23.

In 9M24, distribution and selling expenses decreased by 13.2% to RMB53.3 million from RMB61.4 million in 9M23, in tandem with the decrease in revenue. As a percentage of total revenue, distribution and selling expenses increased by 1.2% to 9.0% in 9M24 from 7.8% in 9M23.

Overall, the decrease was mainly due to a decrease in sales commission payable to sales personnel, transport expenses, travelling expenses and entertainment expenses which were partially offset by an increase in meeting expenses, after sales services and repair and maintenance expenses.



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(v) Administrative Expenses

In 3Q24, administrative expenses decreased by 4.5% to RMB24.5 million from RMB25.6 million in 3Q23.

In 9M24, administrative expenses increased by 7.3% to RMB76.1 million from RMB70.9 million in 9M23. As a percentage of total revenue, administrative expenses increased by 3.9% to 12.9% in 9M24 from 9.0% in 9M23.

Overall, the increase was mainly due to an increase in staff salaries and depreciation and amortisation for hotel acquired.

(vi) Depreciation and Amortisation Expenses

In 3Q24, depreciation and amortisation expenses decreased by 1.4% to RMB20.3 million from RMB20.6 million in 3Q23.

In 9M24, depreciation and amortisation expenses increased by 3.6% to RMB61.1 million from RMB59.0 million in 9M23.

The increase was mainly due to additional depreciation and amortisation of new property, plant and equipment and intangible assets acquired, which was partially offset by certain property, plant and equipment and intangible assets being fully depreciated and amortised during the period.

(vii) Other Expenses

In 3Q24, other expenses increased by 117.4% to RMB12.2 million from RMB5.6 million in 3Q23.

In 9M24, other expenses increased by 48.3% to MB5.4 million from RMB3.6 million in 9M23.

This was mainly due to a loss in foreign currency translation and inventories written off which was partially offset by a donation to hospital of RMB4.2 million in 9M23.

(viii) Net (Provision)/Write-back of Impairment Losses on Trade and Other Receivables

In 3Q24, no net (provision)/write-back of impairment losses on trade and other receivables whereas in 3Q23, there was a net write-back of impairment losses on trade and other receivables of RMB0.4 million.

In 9M24, net provision of impairment losses on trade and other receivables increased by 28.4% to RMB1.8 million from RMB1.5 million in 9M23.

(ix) Net Financial Income/(Costs)

In 3Q24, the Group's finance income recorded a decrease by 26.7% to RMB2.1 million from RMB2.9 million in 3Q23.

In 9M24, the Group's finance income recorded a decrease by 17.4% to RMB9.0 million from RMB10.9 million in 9M23.



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(ix) Net Financial Income/(Costs) (cont'd)

The decrease was mainly due to a reduction in the quantum of funds allocated to interest bearing bank accounts and/or fixed deposits placed within financial institutions to earn interest income.

In 3Q24, the Group's finance costs recorded an increase by 79.1% to RMB2.5 million from RMB1.4 million in 3Q23.

In 9M24, the Group's finance costs recorded an increase by 170.7% to RMB8.0 million from RMB2.9 million in 9M23.

The increase was mainly due to interest paid for bank loans and early redemption of bills receivables.

Overall, the Group achieved a net finance income mainly due to the interest income earned from interest-bearing bank accounts and/or fixed deposit placed with financial institution which were partially offset by interest paid for bank loans and early redemption of bills receivables.

(ix) Profit Before Tax

In 3Q24, the Group recorded a loss before tax ("LBT") of RMB18.1 million whereas in 3Q23, the Group recorded a profit before tax ("PBT") of RMB0.9 million.

In 9M24, the Group recorded a LBT of RMB10.2 million whereas in 9M23, the Group recorded a PBT of RMB28.5 million.

(x) Tax Credit/(Expense)

In 3Q24, the Group's tax expense decreased by 89.6% to RMB0.2 million from RMB2.4 million in 3Q23.

In 9M24, the Group recorded a tax credit of RMB1.9 million whereas in 9M23, the Group recorded a tax expense of RMB3.2 million.

It was mainly due to a decrease in income tax and withholding tax which were partially offset by an increase in deferred tax assets.

World Precise Machinery (China) Co., Ltd. ("WPMC") and World Precise Machinery (Shenyang) Co., Ltd. ("WPMS") enjoyed preferential income tax rate of 15% as WPMC and WPMS have been regarded as a High-Tech Enterprise.

World Precise Machinery Parts (Jiangsu) Co., Ltd., Jiangsu World Tourism Investment Management Co., Ltd., Hainan World Tourism Investment Co., Ltd. and Wanning Yinhu Hot Spring Holiday Hotel Co., Ltd., all are PRC incorporated companies, was subjected to tax at the statutory tax rate of 25%.

World Precise Machinery (Thailand) Co., Ltd., a Thailand incorporated company, enjoyed a preferential income tax treatment under scheme of Board of Investment Thailand.



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(x) Tax Credit/(Expense) (cont'd)

World Precision Machinery Limited, a Singapore incorporated company, was subjected to tax at the statutory tax rate of 17%.

(xi) Net Profit After Tax

In 3Q24, the Group's net loss after tax ("NLAT") increased by 1,167.5% to RMB18.4 million from RMB1.5 million in 3Q23.

In 9M24, the Group's recorded a NLAT of RMB8.4 million whereas in 9M23, the Group's recorded a net profit after tax of RMB25.3 million.

(B) Consolidated Statement of Financial Position (30 September 2024 vs 31 December 2023)

For the period under review, the Group's non-current assets decreased by approximately RMB40.8 million mainly due to the depreciation and amortisation expenses net of purchases of property, plant and equipment.

For the period under review, the Group's non-current liabilities decreased by RMB93.7 million mainly due to reclassification of non-current bank loans to current bank loans, a decrease in deferred tax liabilities and payment of lease liabilities.

The Group's total current assets decreased by approximately RMB0.5 million from RMB1,220.9 million as at 31 December 2023 to RMB1,220.3 million as at 30 September 2024. This was attributable to a decrease in trade receivables (mainly due to decrease in sales and bill receivables), other receivables (which was mainly due to a decrease in prepayment for raw materials which were partially offset by an increase in prepayment for property, plant and equipment and expenses) and cash and cash equivalents (as explained in the consolidated statement of cash flows), which were partially offset by an increase in inventories (mainly due to decrease in sales) and amounts due from related parties (trade).

The Group's total current liabilities increased by approximately RMB199.2 million from RMB977.9 million as at 31 December 2023 to RMB1,177.1 million as at 30 September 2024. This was attributable to an increase in contract liabilities (mainly due to an increase in advances received from customers), amount due to related parties (non-trade) (mainly due to interest free advances from related party of RMB157.0 million for working capital purposes) and bank borrowings (due to reclassification of non-current bank borrowings to current bank borrowings) which were partially offset by a decrease in trade payables (mainly due to lesser bill receivables used to paid suppliers), other payables (mainly due to a decrease in VAT payables and accrued operating expenses which were partially offset by an increase in payables relating to property, plant and equipment and bonus payables) and amounts due to related parties and affiliated companies (trade).

The Group is in a net current assets position as at 30 September 2024 of RMB43.2 million.

(C) Consolidated Statement of Cash Flows

For the 3 months ended 30 September 2024, the Group recorded a net cash increase of approximately RMB151.0 million. This was mainly due to: -



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(C) Consolidated Statement of Cash Flows (cont'd)

- a) the net cash inflow arising from operating activities which amounted to RMB146.8 million. The reasons were mainly disclosed in the commentary under consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position.
- b) the net cash inflow arising from investing activities which amounted to RMB11.2 million mainly due to effect of foreign currency re-alignment on investing activities which were partially offset by the purchases of property, plant and equipment.
- c) the net cash outflow arising from financing activities which amounted to RMB7.0 million mainly due to repayment of bank loans, payment for lease liabilities and interest paid which were partially offset by the bank deposit release from pledge.

For the 9 months ended 30 September 2024, the Group recorded a net cash decrease of approximately RMB4.6 million. This was mainly due to: -

- a) the net cash inflow arising from operating activities which amounted to RMB168.1 million. The reasons were mainly disclosed in the commentary under consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position.
- b) the net cash outflow arising from investing activities which amounted to RM7.2 million mainly due to the purchases of property, plant and equipment which was partially offset by the effect of foreign currency re-alignment on investing activities.
- c) the net cash outflow arising from financing activities which amounted to RMB165.5 million mainly due to net repayment of bank loans, payment of lease liabilities, dividend paid and interest paid which were partially offset by the bank deposit released from pledge.

Cash and cash equivalents as at 30 September 2024 stood at RMB425.0 million.

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

The 9M24 Financial Results announcement is not line with the statement made in Paragraph 10 disclosed in the 1H24 Financial Results announcement dated 13 August 2024 i.e. "Barring any unforeseen circumstances, the Group is cautiously optimistic to remain profitable in FY2024".

The Group incurred a loss for 3Q24. The loss was mainly a result of (i) lower revenue due to the continuing subdued economy in China, (ii) lower average selling prices of stamping machines, (iii) a decrease in number of units of stamping machines sold, and (iv) the weaker US Dollar exchange rate against the RMB in 3Q24 which resulted in higher foreign currency exchange losses.



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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.**

The financial year ending 31 December 2024 (“FY2024”) will be a challenging year for the Group, with China’s domestic economy still hampered by sluggish consumer and business sentiment, while international geopolitical conflicts, including the Russia-Ukraine War and the Israel-Hamas conflict, continues to fuel an inflationary and more unstable external environment. As a result of these various pressures, the Group’s business outlook will remain subdued in FY2024.

The management is monitoring the development of business environment closely and will adjust its existing business strategies to better mitigate these challenges.

Barring any unforeseen circumstances, the Group expects a loss after tax in FY2024.

The Group’s order book stood at RMB417.8 million as at 1 November 2024.

11. **Dividend**

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and**

No interim dividend was declared or recommended.

- (b) (i) **Amount per share**

Not applicable.

- (ii) **Previous corresponding period**

No interim dividend was declared or recommended in the previous corresponding period.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not Applicable.

- (d) **The date the dividend is payable.**

Not Applicable.

- (e) **The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not Applicable.



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12. **If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.**

No dividend has been declared / (recommended) for the current financial period reported on as dividend, if any, will be declared at the full year results announcement.

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 has obtained a general mandate from shareholders for IPTs.

The IPTs for 9M24 are as follows: -

Name of Interested Person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandates pursuant to Rule 920 (excluding transactions less than \$100,000)
		(RMB'000)	(RMB'000)
<u>Jiangsu World Machinery and Electronics Group Co., Ltd.</u>	Associate of the Controlling Shareholder	N/A	
Processing fees received and sale of raw materials and parts.			288
Processing fees paid			2,127
<u>Jiangsu World Plant-Protecting Machinery Co., Ltd.</u>	Associate of the Controlling Shareholder	N/A	
Processing fees received and sale of raw materials and parts.			146
Purchase of raw materials and scrap materials.			2,000



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<p><u>Jiangsu World Agriculture Machinery Co., Ltd.</u></p> <p>Processing fees received and sale of raw materials, parts and machineries.</p> <p>Processing fees paid and purchase of raw materials and scrap materials.</p>	<p>Associate of the Controlling Shareholder</p>	<p>N/A</p>	<p>34,740</p> <p>3,003</p>
<p><u>Jiangsu World Agriculture Machinery & Parts Manufacturing Co., Ltd.</u></p> <p>Processing fees received and sale of raw materials and parts.</p> <p>Purchase fees paid and purchase of raw materials and scrap materials.</p>	<p>Associate of the Controlling Shareholder</p>	<p>N/A</p>	<p>1,580</p> <p>3,996</p>
<p><u>World Agriculture (Shenyang) Co., Ltd.</u></p> <p>Processing fees received and sales of raw materials, scrap materials and parts.</p> <p>Processing fees paid and purchase of parts.</p>	<p>Associate of the Controlling Shareholder</p>	<p>N/A</p>	<p>2,798</p> <p>241</p>
<p><u>World Heavy Industry (China) Co., Ltd.</u></p> <p>Processing fee received and sale of parts.</p> <p>Processing fees paid and purchase of raw materials, scrap materials and equipment.</p>	<p>Associate of the Controlling Shareholder</p>	<p>N/A</p>	<p>2,669</p> <p>9,445</p>
<p><u>Jiangsu World Crane Co., Ltd.</u></p> <p>Processing fees paid and purchase of equipment.</p>	<p>Associate of the Controlling Shareholder</p>	<p>N/A</p>	<p>962</p>



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<u>Jiangsu World Precise Machinery Co., Ltd.</u> Land rental paid.	Associate of the Controlling Shareholder	N/A	450
<u>Jiangsu World Furniture Co., Ltd.</u> Processing fees received and sale of raw materials, parts and machineries. Purchase of scrap materials	Associate of the Controlling Shareholder	N/A	447 3,017
<u>Jiangsu World High End Agriculture Equipment Co., Ltd.</u> Processing fees received and sale of raw materials and parts. Processing fees paid and purchase of scrap materials.	Associate of the Controlling Shareholder	N/A	51,448 10,150
<u>Danyang World Machinery Parts Manufacturing Co., Ltd.</u> Processing fees received and sale of raw materials and parts. Purchase of raw materials and scrap materials.	Associate of the Controlling Shareholder	509 354	N/A
<u>World High Precision Complete Equipment Co., Ltd.</u> Processing fees received and sale of parts. Purchase of raw materials.	Associate of the Controlling Shareholder	16 4,492	N/A



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WORLD

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

<u>World Agricultural Machinery (Thailand) Co., Ltd.</u>	Associate of the Controlling Shareholder		N/A
Sale of machineries		2,571	
<u>World Industry (Thailand) Co., Ltd.</u>	Associate of the Controlling Shareholder		
Sale of machineries		877	
Total		8,819	129,507

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of Listing Manual

The Company confirms that the undertakings required under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

15. Statement Pursuant to Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge and belief, nothing has come to the attention of the Board of Directors which may render the unaudited nine months and third quarter results of the Group for the financial period ended 30 September 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Wang Weiyao
Executive Chairman

Shao Jianjun
Non-Executive and Non-Independent Director

BY ORDER OF THE BOARD

Wang Weiyao
Executive Chairman
11 November 2024