



**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 2017 to 31 December 2017 ("4Q17") and the results for the full year from 1 January 2017 to 31 December 2017 ("FY17"). The comparatives are for the fourth quarter from 1 October 2016 to 31 December 2016 ("4Q16") and the full year from 1 January 2016 to 31 December 2016 ("FY16"). 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					
	1.1.2017 to 31.12.2017 RMB '000	1.1.2016 to 31.12.2016 RMB '000	Change %	1.10.2017 to 31.12.2017 RMB '000	1.10.2016 to 31.12.2016 RMB '000	Change %
Revenue	803,883	723,111	11.2%	189,604	196,521	(3.5%)
Cost of sales	(645,944)	(562,648)	14.8%	(161,405)	(157,781)	2.3%
Gross profit	157,939	160,463	(1.6%)	28,199	38,740	(27.2%)
Gross profit margin (%)	19.6%	22.2%	(2.6%)	14.9%	19.7%	(4.8%)
Other income and gains	17,235	13,524	27.4%	8,382	3,820	119.4%
Distribution and selling expenses	(71,228)	(60,071)	18.6%	(21,455)	(22,397)	(4.2%)
Administrative expenses	(55,702)	(55,994)	(0.5%)	(12,396)	(14,392)	(13.9%)
Other expenses, net	(3,073)	(11,211)	(72.6%)	(227)	(1,195)	(81.0%)
Financial expenses	(3,348)	(7,483)	(55.3%)	(425)	(1,420)	(70.1%)
Profit before tax	41,823	39,228	6.6%	2,078	3,156	(34.2%)
Tax expense	(5,073)	(9,149)	(44.6%)	1,353	(2,357)	N.M.
Profit for the year/period	36,750	30,079	22.2%	3,431	799	329.4%
Net profit margin (%)	4.6%	4.2%	0.4%	1.8%	0.4%	1.4%
Profit attributable to:						
Equity holders of the Company	36,750	30,079	22.2%	3,431	799	329.4%

N.M. denotes Not Meaningful



Consolidated Statement of Profit or Loss and Other Comprehensive income (cont'd)

	Group					
	1.1.2017 to 31.12.2017	1.1.2016 to 31.12.2016	Change	1.10.2017 to 31.12.2017	1.10.2016 to 31.12.2016	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Profit for the year/ period	36,750	30,079	22.2%	3,431	799	329.4%
Other comprehensive (loss)/income:						
Items that are or may be reclassified subsequently to profit and loss:						
Currency translation differences arising on consolidation	(33)	1,923	N.M.	12	186	(93.5%)
Total comprehensive income for the year/period	36,717	32,002	14.7%	3,443	985	249.5%
Total comprehensive income attributable to:						
Equity holders of the Company	36,717	32,002	14.7%	3,443	985	249.5%

N.M. denotes Not Meaningful

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 China, are wholly-owned subsidiaries of the Company. With effect from 1 December 2015, WHMT, WCNC and WPMM were amalgamated into WPMC.



(B) Profit Before Income Tax

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

	Group			
	1.1.2017 to 31.12.2017	1.1.2016 to 31.12.2016	1.10.2017 to 31.12.2017	1.10.2016 to 31.12.2016
	RMB '000	RMB '000	RMB '000	RMB '000
Allowance for doubtful receivables (trade)	7,287	10,769	5,287	8,769
Allowance for doubtful receivables (non-trade)	424	679	424	679
Allowance for doubtful receivables written back (trade)	(5,400)	(4,491)	(5,400)	(4,491)
Allowance for doubtful receivables written back (non-trade)	(510)	(1,034)	(510)	(1,034)
Write down of inventories	761	1,098	761	1,098
Amortisation of land use rights	2,932	3,037	653	759
Amortisation of intangible assets	9,930	7,159	4,508	1,781
Bad debts written off (trade)	-	635	(309)	(711)
Bad debts written off (non-trade)	-	1	-	(2,701)
Depreciation of property, plant and equipment	52,380	49,476	13,243	8,620
Interest expense	3,507	7,431	613	1,580
Interest income	(3,911)	(94)	(3,879)	(17)
Loss on disposal of property, plant and equipment	326	357	326	357
Net foreign exchange (gain)/loss	(391)	2,339	(462)	141
Property, plant and equipment written off	5	-	(1,678)	(1,173)



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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RMB '000	RMB '000	RMB '000	RMB '000
Non-current assets				
Property, plant and equipment	756,977	700,810	-	-
Land use rights	125,434	128,366	-	-
Investment in subsidiaries	-	-	780,669	769,293
Intangible assets	33,802	36,318	-	-
Other receivables	8,106	10,723	-	-
	924,319	876,217	780,669	769,293
Current assets				
Inventories	384,119	353,545	-	-
Land use rights	3,003	3,003	-	-
Trade receivables	130,022	192,724	-	-
Other receivables	21,416	21,737	14	14
Due from related parties (trade)	46,830	58,142	-	-
Due from a related party (non-trade)	-	46	-	-
Due from a subsidiary (non-trade)	-	-	-	105
Cash and cash equivalents	16,510	10,166	249	375
	601,900	639,363	263	494
Total assets	1,526,219	1,515,580	780,932	769,787
Non-current liability				
Deferred tax liabilities	4,885	3,300	-	-
Current liabilities				
Trade payables	204,419	212,097	-	-
Bills payables	520	27,936	-	-
Other payables	214,930	145,834	559	758
Due to related parties (trade)	1,839	2,124	-	-
Due to related parties (non-trade)	242	587	-	-
Due to a subsidiary (non-trade)	-	-	1,566	1,840
Bank loans	38,000	98,000	-	-
Tax payable	-	1,035	-	-
	459,950	487,613	2,125	2,598
Total liabilities	464,835	490,913	2,125	2,598
Net current assets/(liabilities)	141,950	151,750	(1,862)	(2,104)
Net Assets	1,061,384	1,024,667	778,807	767,189



	Group		Company	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	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
Capital reserve	97,097	97,097	-	-
Statutory reserves	127,118	123,057	-	-
Retained earnings	576,608	543,919	534,406	534,131
Currency translation reserve	9,901	9,934	(6,259)	(17,602)
Total Equity	1,061,384	1,024,667	778,807	767,189

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

	As at 31 December 2017		As at 31 December 2016	
	Secured	Unsecured	Secured	Unsecured
	RMB '000	RMB '000	RMB '000	RMB '000
Current liabilities				
Bank loans	38,000	-	98,000	-

Details of any collateral

As at 31 December 2017, bank loans comprised the following:

- 1) 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 1Q2018.
- 2) RMB28.0 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 2Q2018.



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			
	FY17	FY16	4Q17	4Q16
	1.1.2017 to 31.12.2017	1.1.2016 to 31.12.2016	1.10.2017 to 31.12.2017	1.10.2016 to 31.12.2016
	RMB '000	RMB '000	RMB '000	RMB '000
Cash flows from operating activities				
Profit before tax	41,823	39,228	2,078	3,156
Adjustments for:				
Allowance for doubtful receivables (trade)	7,287	10,769	5,287	8,769
Allowance for doubtful receivables (non-trade)	424	679	424	679
Amortisation of land use rights	2,932	3,037	653	759
Amortisation of intangible assets	9,930	7,159	4,508	1,781
Bad debts written off	-	635	(309)	(711)
Depreciation of property, plant and equipment	52,380	49,476	13,243	8,620
Loss on disposal of property, plant and equipment	326	357	326	357
Interest expense	3,507	7,431	613	1,580
Interest income	(3,911)	(94)	(3,879)	(17)
Property, plant and equipment written off	5	-	(1,678)	(1,173)
Write down of inventories	761	1,098	761	1,098
Operating profit before working capital changes	115,464	119,775	22,027	24,898
Inventories	(31,335)	28,213	(30,262)	(5,295)
Receivables	66,040	(41,000)	94,018	(21,824)
Payables	44,626	47,751	(18,979)	36,699
Currency translation adjustments	(26)	1,872	20	273
Cash generated from operations	194,769	156,611	66,824	34,751
Interest received	3,911	94	3,879	17
Taxes paid	(4,523)	(5,908)	(1,021)	(228)
Net cash from operating activities	194,157	150,797	69,682	34,540
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	3,019	1,494	3,019	1,494
Purchase of property, plant and equipment (Note A)	(92,501)	(33,245)	(42,684)	(9,883)
Addition of intangible assets	(7,414)	(6,907)	9,413	(423)
Net cash used in investing activities	(96,896)	(38,658)	(30,252)	(8,812)
Cash flows from financing activities				
Proceeds from bank loans	38,000	66,000	-	28,000
Repayment of bank loans	(98,000)	(118,000)	-	(48,000)
Cash deposits released from pledge	570	2,000	570	570
Cash deposits pledged	(570)	(570)	(570)	(570)
Interest paid	(3,507)	(7,431)	(613)	(1,580)
Dividends paid	-	(50,000)	-	-
Decrease in bills payables to bank	(27,416)	(3,194)	(27,416)	(3,194)
Net cash used in financing activities	(90,923)	(111,195)	(28,029)	(24,774)



	Group			
	FY17	FY16	4Q17	4Q16
	1.1.2017 to 31.12.2017	1.1.2016 to 31.12.2016	1.10.2017 to 31.12.2017	1.10.2016 to 31.12.2016
	RMB '000	RMB '000	RMB '000	RMB '000
Net increase in cash and cash equivalents	6,338	944	11,401	954
Cash and cash equivalents at beginning of the year/period	9,596	8,601	4,534	8,729
Effect of exchange rate changes on cash and cash equivalents	6	51	5	(87)
Cash and cash equivalents at end of the year/period	15,940	9,596	15,940	9,596
Cash and cash equivalents per consolidated statement of cash flows	15,940	9,596	15,940	9,596
Cash deposits pledged	570	570	570	570
Cash and cash equivalents as per consolidated financial positions	16,510	10,166	16,510	10,166

Note A:

	Group			
	FY17	FY16	4Q17	4Q16
	1.1.2017 to 31.12.2017	1.1.2016 to 31.12.2016	1.10.2017 to 31.12.2017	1.10.2016 to 31.12.2016
	RMB '000	RMB '000	RMB '000	RMB '000
Total additions to property, plant and equipment	111,897	37,429	76,251	26,643
(Less)/add: Change in unpaid portion	(16,779)	(14,058)	(27,566)	(16,861)
Add: Change in prepayments	(2,617)	9,874	(6,001)	101
Purchase of property, plant and equipment per consolidated statement of cash flows	92,501	33,942	42,684	9,883



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	Capital reserve RMB'000	Statutory reserves RMB'000	Retained earnings RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
Balance as at 1.1.2017	250,660	97,097	123,057	543,919	9,934	1,024,667
Profit for the year	-	-	-	36,750	-	36,750
<i>Other comprehensive loss</i>						
Currency translation differences arising on consolidation	-	-	-	-	(33)	(33)
Total comprehensive income/(loss) for the year	-	-	-	36,750	(33)	36,717
Transfer to statutory reserve fund	-	-	4,061	(4,061)	-	-
Balance as at 31.12.2017	250,660	97,097	127,118	576,608	9,901	1,061,384

	Share capital RMB'000	Capital Reserve RMB'000	Statutory reserves RMB'000	Retained earnings RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
Balance as at 1.1.2016	250,660	97,097	118,767	568,130	8,011	1,042,665
Profit for the year	-	-	-	30,079	-	30,079
<i>Other comprehensive income</i>						
Currency translation differences arising on consolidation	-	-	-	-	1,923	1,923
Total comprehensive income for the year	-	-	-	30,079	1,923	32,002
Dividends	-	-	-	(50,000)	-	(50,000)
Transfer to statutory reserve fund	-	-	4,290	(4,290)	-	-
Balance as at 31.12.2016	250,660	97,097	123,057	543,919	9,934	1,024,667



Company

	Share capital RMB'000	Retained earnings RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
Balance as at 1.1.2017	250,660	534,131	(17,602)	767,189
Profit for the year	-	275	-	275
<i>Other comprehensive income</i>				
Currency translation differences arising on consolidation	-	-	11,343	11,343
Total comprehensive income for the year	-	275	11,343	11,618
Balance as at 31.12.2017	250,660	534,406	(6,259)	778,807
	Share capital RMB'000	Retained earnings RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
Balance as at 1.1.2016	250,660	575,975	(52,307)	774,328
Profit for the year	-	8,156	-	8,156
<i>Other comprehensive Income</i>				
Currency translation differences arising on consolidation	-	-	34,705	34,705
Total comprehensive income for the year	-	8,156	34,705	42,861
Dividends	-	(50,000)	-	(50,000)
Balance as at 31.12.2016	250,660	534,131	(17,602)	767,189

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 China 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 China, 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 enterprise is 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 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 twelve months ended 31 December 2017, 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(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 2017	As at 31 December 2016
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 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.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current 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 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 2016.

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 2017. 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.

	1.1.2017 to 31.12.2017	1.1.2016 to 31.12.2016	1.10.2017 to 31.12.2017	1.10.2016 to 31.12.2016
(a) Based on weighted average number of ordinary shares on issue (RMB); and	0.09	0.08	0.01	0.00
(b) On a fully diluted basis (RMB)	0.09	0.08	0.01	0.00
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	
	31.12.2017	31.12.2016	31.12.2017	31.12.2016
	RMB	RMB	RMB	RMB
Net asset value per ordinary share based on issued share capital at the end of the respective years:	2.65	2.56	1.95	1.92
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 Income Statement

(i) Turnover

For the 3 months ended 31 December 2017 ("4Q17"), the Group's turnover decreased by 3.5% to RMB189.6 million from RMB196.5 million in the 3 months ended 31 December 2016 ("4Q16").

In terms of sales performance for 4Q17, sales of conventional stamping machines decreased by 18.8% while sales of high performance and high tonnage stamping machines increased by 8.5%.

For the full year ended 31 December 2017 ("FY17"), the Group's turnover increased by 11.2% to RMB803.9 million from RMB723.1 million in the full year ended 31 December 2016 ("FY16").

In terms of sales performance for FY17, sales of conventional stamping machines increased by 3.1% while sales of high performance and high tonnage stamping machines increased by 19.5%.

Overall, the increase in number of units sold in conventional stamping machines and high performance and high tonnage stamping machines which was partially offset by a 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 North-Eastern areas.

(ii) Gross Profit

The Group's gross profit for 4Q17 decreased by 27.2% to RMB28.2 million from RMB38.7 million in 4Q16. The gross profit margin decreased by 4.8% to 14.9% in 4Q17 from 19.7% in 4Q16.

In terms of gross profit margin for 4Q17 year-on-year, gross profit margin for conventional stamping machines decreased by 8.8% to 7.1% from 15.9% in 4Q16 while gross profit margin for high performance and high tonnage stamping machines decreased by 6.8% to 16.2% from 23.0% in 4Q16.



The Group's gross profit for FY17 decreased by 1.6% to RMB157.9 million from RMB160.5 million in FY16. The gross profit margin for FY17 decreased by 2.6% to 19.6% from 22.2% in FY16.

In terms of gross profit margin for FY17, gross profit margin for conventional stamping machines decreased by 7.2% to 10.4% from 17.6% in FY16 while gross profit margin for high performance and high tonnage stamping machines decreased by 4.4% to 20.2% from 24.6% in FY16.

Overall, the decrease in the Group's gross profit margin for 4Q2017 and FY17 was mainly due to an increase in raw materials costs and a downward revision in the average selling prices of the stamping machines which was partially offset by an increase in production of conventional stamping machines and high performance and high tonnage stamping machines.

(iii) Other Income

In 4Q17, the Group's other income increased by 119.4% to RMB8.4 million from RMB3.8 million in 4Q16.

In FY17, the Group's other income increased by 27.4% to RMB17.2 million from RMB13.5 million in FY16.

Overall, the increase was mainly due to an increase in sale of raw materials and interest income which was partially offset by a decrease in government grant and subsidies received and a write back of trade and other payables written off.

(iv) Distribution and Selling Expenses

In 4Q17, the Group's distribution and selling expenses decreased by 4.2% to RMB21.5 million from RMB22.4 million in 4Q16 in tandem with decrease in turnover.

In FY17, the Group's distribution and selling expenses increased by 18.6% to RMB71.2 million from RMB60.1 million in FY16 in tandem with increase in turnover. As a percentage of total revenue, distribution and selling expenses increased by 0.6% to 8.9% in FY17 from 8.3% in FY16.

Overall, the increase was mainly due to an increase in sales commission payable to sales personnel in tandem with the increase in turnover and an increase in transport expenses, travelling expenses and entertainment expenses which was partially offset by a decrease in after sales services expenses and sales consultation expenses.

(v) Administrative Expenses

In 4Q17, the Group's administrative expenses decreased by 13.9% to RMB12.4 million from RMB14.4 million in 4Q16.

In FY17, the Group's administrative expenses decreased by 0.5% to RMB55.7 million from RMB56.0 million in FY16. As a percentage of total revenue, administrative expenses decreased by 0.8% to 6.9% in FY17 from 7.7% in FY16.



Overall, the decrease was mainly due to a decrease in administrative expenses which was partially offset by an increase in research and development costs for stamping machines, staff related costs and depreciation charged.

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 4Q17, the Group's depreciation and amortisation expenses increased by 64.9% to RMB18.4 million from RMB11.2 million in 4Q16.

In FY17, the Group's depreciation and amortisation expenses increased by 9.3% to RMB65.2 million from RMB59.7 million in FY16.

The increase was mainly due to an increase in depreciation and amortisation charged for acquisition of property, plant and equipment and addition of intangible assets acquired in FY17.

(vii) Other Expenses, net

In 4Q17, the Group's net other expenses decreased by 81.0% to RMB0.2 million from RMB1.2 million in 4Q16.

In FY17, the Group's net other expenses decreased by 72.6% to RMB3.1 million from RMB11.2 million in FY16.

Overall, the decrease was mainly due to a decrease in allowance for doubtful debts (trade and non-trade), obsolete stocks and foreign exchange gain.

(viii) Finance Expenses

In 4Q17, the Group's finance expenses recorded a decrease of 70.1% to RMB0.4 million from RMB1.4 million in 4Q16.

In FY17, the Group's finance expenses recorded a decrease of 55.3% to RMB3.3 million from RMB7.5 million in FY16.

The decrease was mainly due to a gradual decrease in interest expenses relating to a gradual decrease in bank loans which was partially offset by an interest paid for early redemption of bill receivables.

(ix) Profit Before Tax

In 4Q17, the Group profit before tax decreased by 34.2% to RMB2.1 million from RMB3.2 million in FY16.

In FY17, the Group's profit before tax increased by 6.6% to RMB41.8 million from RMB39.2 million in FY16.



(x) Income Tax Expense

In 4Q17, the Group's recorded a tax credit of RMB1.4 million compared to tax expenses of RMB2.4 million in 4Q16.

In FY17, the Group's tax expense decreased by 44.6% to RMB5.1 million from RMB9.1 million in FY16.

The decrease was mainly due to lower withholding tax expense in FY17 as compared to FY16 as there was lesser dividend distributed from subsidiaries to holding company during 2017.

WPMC enjoyed preferential income tax rate of 15% as WPMC have been regarded as High-Tech Enterprise.

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

(xi) Net Profit After Tax

In 4Q17, the Group's net profit after tax increased by 329.4% to RMB3.4 million from RMB0.8 million in FY16. Net profit margin increased by 1.4% to 1.8% from 0.4% in FY16.

In FY17, the Group's net profit after tax increased by 22.2% to RMB36.8 million from RMB30.1 million in FY16. Net profit margin increased by 0.4% to 4.6% from 4.2% in FY16.

(B) Consolidated Balance Sheet (31 December 2017 vs 31 December 2016)

For the period under review, the Group's non-current assets increased by approximately RMB48.1 million mainly due to the acquisition of property, plant and equipment and intangible assets net of the depreciation and amortisation charges. Such increase was partially offset by a decrease in prepayment for property, plant and machinery.

For the period under review, the Group's non-current liabilities increased by RMB1.6 million due to an increase in deferred tax liabilities.

The Group's total current assets decreased by approximately RMB37.5 million from RMB639.4 million as at 31 December 2016 to RMB601.9 million as at 31 December 2017. This was attributable to a decrease in trade receivables (which was mainly due to management efforts in debt collections), other receivables (which was mainly due to an decrease in prepayment for raw materials), amounts due from related parties (trade and non-trade related) which were partially offset by an increase in inventories (increase in production due to an increase in order books) and cash and cash equivalents (explained in the consolidated cash flow statement).

Concurrently, the Group's total current liabilities decreased by approximately RMB27.7 million from RMB487.6 million as at 31 December 2016 to RMB460.0 million as at 31 December 2017. This was attributable to a decrease in trade payables (which was mainly due to year end, fast payment to suppliers), bills payables (mainly due to settlement of bill payables issued to suppliers), amounts due to related parties (trade and non-trade related), bank loans (which was mainly due to net repayments of bank loans) and tax payable which was partially offset by an increase in other payables (which was mainly due to an increase in advance payment received from customers, accrued for property, plant and equipment and operating expenses).

The Group is in a net current assets position as at 31 December 2017 of RMB142.0 million.



(C) Consolidated Cash Flow Statement

For the 3 months ended 31 December 2017, the Group recorded a net cash increase of approximately RMB11.4 million. This was mainly due to: -

- a) the net cash inflow arising from operating activities which amounted to RMB69.7 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 RMB28.0 million arose mainly from net repayment of bills payables and interest paid.
- c) the net cash outflow arising from investing activities amounted to RMB30.3 million was mainly due to the acquisition of property, plant and equipment partially offset by and decapitalisation of research and development costs and proceeds from disposal of property, plant and equipment.

For the full year ended 31 December 2017, the Group recorded a net cash increase of approximately RMB6.4 million. This was mainly due to: -

- a) the net cash inflow arising from operating activities amounted to RMB194.2 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 RMB90.9 million arose mainly from net repayment of bank loans and bills payables and interest paid.
- c) the net cash outflow arising from investing activities which amounted to RMB96.9 million was mainly due to the acquisition of property, plant and equipment and capitalisation of research and development costs and proceeds from disposal of property, plant and equipment.

Cash and cash equivalent as at 31 December 2017 stood at RMB16.5 million (of which RMB0.6 million was pledged for performance guarantee).

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

The FY17 Financial Results announcement is in line with the statement made in Paragraph 10 disclosed in the 9M17 Financial Results announcement dated 11 November 2017 i.e. Barring any unforeseen circumstances, the Group is cautiously optimistic to remain profitable in FY2017.

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.

Barring any unforeseen circumstances, the Group is cautiously optimistic to remain profitable in FY2018.

The Group's order book stood at RMB195.5 million as at 24 February 2018.



11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared/recommendeded for the current financial period reported on.

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.

IPTs for FY17 are as follows: -

Name of Interested Person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (RMB'000)	Aggregate value of all IPTs conducted under shareholders' mandates pursuant to Rule 920 during the financial year under review (excluding transactions less than \$100,000) (RMB'000)
Jiangsu World Machinery and Electronics Group Co., Ltd.	N/A	
Processing fees received, sale of raw materials and part.		98



Processing fees paid and purchase of raw materials.		924
<u>Jiangsu World Plant-Protecting Machinery Co., Ltd.</u>	N/A	
Processing fees received, sale of raw materials and parts.		219
Purchase of raw materials and scrap materials.		2,527
<u>Jiangsu World Agriculture Machinery Co., Ltd.</u>	N/A	
Processing fees received, sale of raw materials, parts and machineries.		15,460
Processing fees paid and purchase of raw materials and scrap materials.		501
<u>Jiangsu World Agriculture Machinery & Parts Manufacturing Co., Ltd.</u>	N/A	
Processing fees received, sale of raw materials, parts and machineries.		11,193
Processing fees paid and purchase of raw materials and equipment.		29,024
<u>World Agriculture (Shenyang) Co., Ltd.</u>	N/A	
Sales of raw materials, parts and machineries and rental income of factory.		8,189
<u>World Heavy Industry (China) Co., Ltd.</u>	N/A	
Processing fee received and sale of raw materials and parts.		2,472
Processing fee paid, purchase of raw materials, parts, scrap materials and equipment.		29,658
<u>Jiangsu World Crane Co., Ltd</u>	N/A	



Processing fee paid and purchase of equipment.		3,754
<u>Jiangsu World Precise Machinery Co., Ltd.</u>	N/A	
Land rental paid.		686
<u>Jiangsu World Furniture Co., Ltd.</u>	N/A	
Processing fee received, sale of raw materials, parts and machineries.		224
<u>Jiangsu World High End Agriculture Equipment Co., Ltd</u>	N/A	
Sale of parts.		27
Total		104,956

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.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

15. **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 Group 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 Group is engaged entirely in the PRC, no reporting by geographical location of the operation is presented.

16. **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.



17. A breakdown of sales.

	The Group		
	FY2017	FY2016	Increase/(decrease)
	RMB'000	RMB'000	%
(a) Sales reported for first half year	411,434	365,919	12.4
Profit after tax before deducting non-controlling interest for first half year	25,274	25,812	(2.1)
(b) Sales reported for second half of year	392,449	357,192	9.9
Profit after tax before deducting non-controlling interest for first half year	11,476	4,267	168.9
(c) Sales reported for full year	803,883	723,111	11.2
Profit after tax before deducting non-controlling interest for full year	36,750	30,079	22.2

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

	FY2017	FY2016
	RMB'000	RMB'000
Ordinary	-	-
Preference	-	-
Total	-	-



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
Li Wenjuan	37	Daughter-in-law of Mr. Shao Jianjun, World Precision Machinery Limited's Executive Chairman	Finance Manager of World Precision Machinery Limited since August 2017. She is responsible for accounting and financial function of the Company.	No changes.
Jiang Hongdi	42	Wife of Mr. Ge Minglei, World Precision Machinery Limited's Chief Executive Officer	Group Finance Director of World Precision Machinery Limited since April 2010. Ms. Jiang relinquished her position as an Executive Director of World Precision Machinery Limited in March 2017. Ms. Jiang is responsible for directing, managing and controlling the full spectrum of accounting and finance functions of the Group's subsidiaries.	No changes.

BY ORDER OF THE BOARD

Shao Jianjun
Executive Chairman
28 February 2018