



**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 2015 to 31 December 2015 (“4Q15”) and the results for the full year from 1 January 2015 to 31 December 2015 (“FY15”). The comparatives are for the fourth quarter from 1 October 2014 to 31 December 2014 (“4Q14”) and the full year from 1 January 2014 to 31 December 2014 (“FY14”). 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					
	1.1.2015 to 31.12.2015	1.1.2014 to 31.12.2014	Change	1.10.2015 to 31.12.2015	1.10.2014 to 31.12.2014	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Revenue	559,121	864,303	(35.3%)	124,243	214,375	(42.0%)
Cost of sales	(384,889)	(599,004)	(35.7%)	(86,271)	(149,419)	(42.3%)
Gross profit	174,232	265,299	(34.3%)	37,972	64,956	(41.5%)
Gross profit margin (%)	31.2%	30.7%	0.5%	30.6%	30.3%	0.3%
Other income	13,377	11,007	21.5%	2,908	5,087	(42.8%)
Distribution and selling expenses	(55,326)	(56,715)	(2.4%)	(17,238)	(12,370)	39.4%
Administrative expenses	(61,849)	(66,564)	(7.1%)	(16,030)	(10,663)	50.3%
Other expenses, net	(14,929)	(6,396)	133.4%	(8,633)	1,248	N.M.
Financial expenses	(14,853)	(12,147)	22.3%	(2,819)	(8,377)	(66.3%)
Profit/(loss) before tax	40,652	134,484	(69.8%)	(3,840)	39,881	N.M.
Tax expense	(18,985)	(26,467)	(28.3%)	(6,956)	(6,898)	0.8%
Profit/(loss) for the year/period	21,667	108,017	(79.9%)	(10,796)	32,983	N.M.
Net profit/(loss) margin (%)	3.9%	12.5%	(8.6%)	(8.7%)	15.4%	N.M.
Profit/(loss) attributable to: Equity holders of the company	21,667	108,017	(79.9%)	(10,796)	32,983	N.M.

N.M. denotes Not Meaningful



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

	Group					
	1.1.2015 to 31.12.2015	1.1.2014 to 31.12.2014	Change	1.10.2015 to 31.12.2015	1.10.2014 to 31.12.2014	Change
	RMB '000	RMB '000	%	RMB '000	RMB '000	%
Profit/(loss) for the year/ period	21,667	108,017	(79.9%)	(10,796)	32,983	N.M.
Other comprehensive income/(loss):						
Items that are or may be reclassified subsequently to profit and loss:						
Currency translation differences arising on consolidation	2,368	84	2,719.0%	1,479	(490)	N.M.
Total comprehensive income/(loss) for the year/period	24,035	108,101	(77.8%)	(9,317)	32,493	N.M.
Total comprehensive income/(loss) attributable to:						
Equity holders of the company	24,035	108,101	(77.8%)	(9,317)	32,493	N.M.

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"), WPMC, 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, MCNC and WPMM have been amalgamation into WPMC.



(B) Profit Before Income Tax

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

	Group			
	1.1.2015 to 31.12.2015 RMB '000	1.1.2014 to 31.12.2014 RMB '000	1.10.2015 to 31.12.2015 RMB '000	1.10.2014 to 31.12.2014 RMB '000
Allowance for doubtful debts (trade)	6,722	5,632	3,690	1,431
Allowance for doubtful debts (non-trade)	4,860	254	4,860	254
Allowance for doubtful debts written back (trade)	(1,123)	(1,062)	(1,123)	(1,062)
Allowance for doubtful debts written back (non-trade)	(1,325)	-	(1,325)	-
Amortisation of land use rights	3,252	2,788	717	750
Amortisation of intangible assets	5,879	1,196	1,541	299
Bad debts written off (trade)	1,635	1,277	(81)	(890)
Depreciation of property, plant and equipment	55,744	53,774	13,383	14,433
Interest expenses	14,620	11,735	3,026	5,163
Interest income	(248)	(242)	(60)	(38)
Gain on disposal of property, plant and equipment	(186)	(170)	(186)	(170)
Net foreign exchange loss/(gain)	2,104	(398)	1,077	(1,000)
Property, plant and equipment written off	93	29	(188)	(879)



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	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RMB '000	RMB '000	RMB '000	RMB '000
Non current assets				
Property, plant and equipment	716,413	764,895	-	-
Land use rights	131,404	134,656	-	-
Investment in subsidiaries	-	-	722,792	730,845
Intangible assets	34,865	25,181	-	-
	<u>882,682</u>	<u>924,732</u>	<u>722,792</u>	<u>730,845</u>
Current assets				
Inventories	382,857	347,792	-	-
Intangible assets	3,003	3,003	-	-
Trade receivables	189,961	300,980	-	-
Other receivables	27,083	26,116	2,817	13
Due from related parties (trade)	30,124	11,986	-	-
Due from a related parties (non-trade)	46	46	-	-
Due from a subsidiary (non-trade)	-	-	48,567	74
Cash and bank balances	10,601	50,916	1,066	4,946
	<u>643,675</u>	<u>740,839</u>	<u>52,450</u>	<u>5,033</u>
Total assets	<u>1,526,357</u>	<u>1,665,571</u>	<u>775,242</u>	<u>735,878</u>
Non current liabilities				
Bank loans	60,000	130,000	-	-
Deferred tax liability	3,300	2,160	-	-
	<u>63,300</u>	<u>132,160</u>	<u>-</u>	<u>-</u>
Current liabilities				
Trade payables	208,323	185,455	-	-
Other payables	118,456	126,686	914	1,138
Due to related parties (trade)	2,645	2,548	-	-
Due to related parties (non -trade)	540	731	-	-
Due to a subsidiary (non-trade)	-	-	-	5,401
Bank loans	90,000	105,000	-	-
Tax payable	429	4,362	-	-
	<u>420,393</u>	<u>424,782</u>	<u>914</u>	<u>6,539</u>
Total liabilities	<u>483,693</u>	<u>556,942</u>	<u>914</u>	<u>6,539</u>
Net current assets/(liabilities)	<u>223,282</u>	<u>316,057</u>	<u>51,536</u>	<u>(1,506)</u>
Net Assets	<u>1,042,664</u>	<u>1,108,629</u>	<u>774,328</u>	<u>729,339</u>



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

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	Group		Company	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	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	97,098	-	-	-
Statutory reserves	118,767	150,752	-	-
Revenue reserves	568,129	701,575	575,975	525,303
Currency translation reserve	8,010	5,642	(52,307)	(46,624)
Total Equity	1,042,664	1,108,629	774,328	729,339

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

	As at 31 December 2015		As at 31 December 2014	
	Secured	Unsecured	Secured	Unsecured
	RMB '000	RMB '000	RMB '000	RMB '000
Non current liabilities				
Bank loans	60,000	-	130,000	-
Current liabilities				
Bank loans	90,000	-	105,000	-

Details of any collateral

As at 31 December 2015, bank loans comprised the following:

- 2) RMB130.0 million is secured by a guarantee issued by a subsidiary, World Precise Machinery (China) Co., Ltd. (沃得精机(中国)有限公司), and land and building of World Precise Machinery (Shenyang) Co., Ltd. (沃得精机(沈阳)有限公司). The loan is repayable quarterly with effect from 1Q2015 and has a maturity date in 3Q2017.
- 3) RMB10.0 million is secured by personal guarantee by the Group's non-executive director, Mr. Wang Weiyao and his spouse, Mrs. Zhang Ahmei, all of whom are related parties of the Group. The loan is repayable in 2Q2016.
- 4) RMB10.0 million is secured by personal guarantee by the Group's non-executive director, Mr. Wang Weiyao and his spouse, Mrs. Zhang Ahmei, all of whom are related parties of the Group. The loan is repayable in 3Q2016.

Note:

As at 31 December 2015, trade payables include secured bills payables amounting to RMB20.0 million (FY14: RMB20.0 million) which are secured by fixed deposits amounting to RMB2.0 million (FY14: RMB2.0 million) and unsecured bills payables amounting to RMB11.1 million (FY14: RMB nil).



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			
	FY15	FY14	4Q15	4Q14
	1.1.2015 to 31.12.2015	1.1.2014 to 31.12.2014	1.10.2015 to 31.12.2015	1.10.2014 to 31.12.2014
	RMB '000	RMB '000	RMB '000	RMB '000
Cash flow from operating activities				
Profit/(loss) before tax	40,652	134,484	(3,840)	39,880
Adjustment for:				
Amortisation of land use rights	3,252	2,788	717	750
Amortisation of intangible assets	5,879	1,196	1,541	299
Depreciation of property, plant and equipment	55,744	53,774	13,383	14,433
Gain on disposal of property, plant and equipment	(186)	(170)	(186)	(170)
Interest expense	14,620	11,735	3,026	5,163
Interest income	(248)	(242)	(60)	(38)
Property, plant and equipment written off	93	29	(188)	(879)
Operating profit before working capital changes	119,806	203,594	14,393	59,438
Inventories	(35,065)	92,235	(7,548)	74,723
Receivables	84,911	(52,309)	67,612	18,386
Payables	49,671	(7,642)	9,030	(42,918)
Currency translation adjustments	2,368	86	1,306	(489)
Cash generated from operations	221,691	235,964	84,793	109,140
Interest received	248	242	60	38
Income taxes paid	(14,189)	(25,597)	(9,007)	(8,614)
Net cash from operating activities	207,750	210,609	75,846	100,564
Cash flow from investing activities				
Proceeds from disposal of property, plant and equipment	506	1,918	506	1,918
Purchase of property, plant and equipment (Note A)	(43,388)	(35,364)	(32,141)	16,973
Addition of intangible assets	(15,563)	(13,771)	(3,523)	(13,771)
Net cash outflow on disposal of a subsidiary	-	-	-	-
Net cash (used in)/from investing activities	(58,445)	(47,217)	(35,158)	5,120
Cash flow from financing activities				
Proceeds from bank loans	30,000	30,000	10,000	10,000
Repayment of bank loans	(115,000)	(95,000)	(25,000)	(32,500)
Cash deposits released from pledge	2,000	3,588	2,000	2,000
Cash deposits pledged	(2,000)	(2,000)	(2,000)	(2,000)
Interest paid	(14,620)	(17,759)	(3,026)	(6,400)
Dividend paid	(90,000)	(65,000)	(50,000)	(40,000)
Net cash used in financing activities	(189,620)	(146,171)	(68,026)	(68,900)



	Group			
	FY15	FY14	4Q15	4Q14
	1.1.2015 to 31.12.2015 RMB '000	1.1.2014 to 31.12.2014 RMB '000	1.10.2015 to 31.12.2015 RMB '000	1.10.2014 to 31.12.2014 RMB '000
Net (decrease)/increase in cash and cash equivalents	(40,315)	17,221	(27,338)	36,784
Cash and cash equivalents at beginning of the year/period	48,916	31,697	35,765	12,131
Effect of exchange rate changes on cash and cash equivalents	-	(2)	174	1
Cash and cash equivalents at end of the year/period	8,601	48,916	8,601	48,916
Cash and cash equivalents per consolidated statement of cash flows	8,601	48,916	8,601	48,916
Cash deposits pledged	2,000	2,000	2,000	2,000
Cash and cash equivalents as per consolidated financial positions	10,601	50,916	10,601	50,916

Note A

	FY15	FY14	4Q15	4Q14
	1.1.2015 to 31.12.2015 RMB '000	1.1.2014 to 31.12.2014 RMB '000	1.10.2015 to 31.12.2015 RMB '000	1.10.2014 to 31.12.2014 RMB '000
Total additions to property, plant and equipment	9,366	11,948	1,551	(33,889)
Add: Unpaid portion	33,436	29,428	31,625	20,417
Add/(less): Prepayments	586	12	(849)	(2,264)
Less: Interest capitalised	-	(6,024)	-	(1,237)
Purchase of plant, property and equipment per consolidated statement of cash flows	43,388	35,364	32,327	(16,973)



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	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total attributable to equity holders the Company RMB'000
Balance as at 1.1.2015	250,660	-	150,752	701,575	5,642	1,108,629
Profit for the year	-		-	21,667	-	21,667
<i>Other comprehensive income</i>						
Currency translation differences arising on consolidation	-		-	-	2,368	2,368
Total comprehensive income for the year	-		-	21,667	2,368	24,035
Dividends paid	-		-	(90,000)	-	(90,000)
Transfer to statutory reserve fund	-		5,650	(5,650)	-	-
Transfer to capital reserve	-	97,098	(37,635)	(59,463)	-	-
Balance as at 31.12.2015	250,660	97,098	118,767	568,129	8,010	1,042,664

	Share capital RMB'000	Statutory reserves RMB'000	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total attributable to equity holders the Company RMB'000
Balance as at 1.1.2014	250,660	137,810	671,500	5,558	1,065,528
Profit for the year	-	-	108,017	-	108,017
<i>Other comprehensive income</i>					
Currency translation differences arising on consolidation	-	-	-	84	84
Total comprehensive income for the year	-	-	108,017	84	108,101
Dividends paid	-	-	(65,000)	-	(65,000)
Transfer to statutory reserve fund	-	12,942	(12,942)	-	-
Balance as at 31.12.2014	250,660	150,752	701,575	5,642	1,108,629



Company

	Share capital RMB'000	Revenue reserve RMB'000	Currency translation reserve RMB'000	Total Equity RMB'000
Balance as at 1.1.2015	250,660	525,303	(46,624)	729,339
Profit for the year	-	140,672	-	140,672
<i>Other comprehensive income</i>				
Currency translation differences arising on consolidation	-	-	(5,683)	(5,683)
Total comprehensive income for the Year	-	140,672	(5,683)	134,989
Dividends paid	-	(90,000)	-	(90,000)
Balance as at 31.12.2015	250,660	575,975	(52,307)	774,328

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

Explanatory Notes:

Capital Reserve

Capital reserve arises from amalgamation of subsidiaries. WHMT, WCNC and WPMM have been amalgamated into WPMC.

Statutory Reserves

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

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

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



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

During the three months ended 31 December 2015, there has been no change in the issued and paid-up share capital of the Company. There are also no outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

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

	As at 31 December 2015	As at 31 December 2014
Total number of issued shares	400,000,000	400,000,000
Less: treasury shares	-	-
Total number of issued shares excluding treasury shares	400,000,000	400,000,000

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

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

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

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

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

Not applicable

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

Except as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements as of 31 December 2014.



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 2015. 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.

	1.1.2015 to 31.12.2015	1.1.2014 to 31.12.2014	1.10.2015 to 31.12.2015	1.10.2014 to 31.12.2014
(a) Based on weighted average number of ordinary shares on issue (RMB); and	0.05	0.27	(0.03)	0.08
(b) On a fully diluted basis (RMB)	0.05	0.27	(0.03)	0.08
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	
	31.12.2015	31.12.2014	31.12.2015	31.12.2014
	RMB	RMB	RMB	RMB
Net asset value per ordinary share based on issued share capital at the end of the respective years:	2.61	2.77	1.94	1.82
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 2015 ("4Q15"), the Group's turnover decreased by 42.0% to RMB124.2 million from RMB214.4 million in the 3 months ended 31 December 2014 ("4Q14").

In terms of sales performance for 4Q15, sales of conventional stamping machines decreased by 42.7% while sales of high performance and high tonnage stamping machines decreased by 50.0%.

For the full year ended 31 December 2015 ("FY15"), the Group's turnover decreased by 35.3% to RMB559.1 million from RMB864.3 million in the full year ended 31 December 2014 ("FY14").

In terms of sales performance for FY15, sales of conventional stamping machines decreased by 37.7% while sales of high performance and high tonnage stamping machines decreased by 39.3%.

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

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

(ii) Gross Profit

The Group's gross profit for 4Q15 decreased by 41.5% to RMB38.0 million from RMB65.0 million in 4Q14 in tandem with the decrease in turnover. However, the gross profit margin increased by 0.3% to 30.6% in 4Q15 from 30.3% in 4Q14.

In terms of gross profit margin for 4Q15 year-on-year, gross profit margin for conventional stamping machines decreased by 3.1% to 24.4% from 27.5% in 4Q14 while gross profit margin for high performance and high tonnage stamping machines increased by 1.0% to 31.7% from 30.7% in 4Q14.

The Group's gross profit for FY15 decreased by 34.3% to RMB174.2 million from RMB265.3 million in FY14 in tandem with the decrease in turnover. However, the gross profit margin for FY15 increased by 0.5% to 31.2% from 30.7% in FY14.

In terms of gross profit margin for FY15, gross profit margin for conventional stamping machines increased marginally by 0.1% to 25.1 from 25.0% in FY14 while gross profit margin for high performance and high tonnage stamping machines decreased marginally by 0.2% to 30.9% from 31.1% in FY14.

Overall, the increase in the Group's gross profit margin was mainly due to a decrease in raw material costs which was partially offset by a downward revision in average selling prices of stamping machines.



(iii) Other Income

In 4Q15, the Group's other income decreased by 42.8% to RMB2.9 million from RMB5.1 million in 4Q14. The decrease was mainly due to reclassification of expenses to cost of sales in 4Q14.

In FY15, the Group's other income increased by 21.5% to RMB13.4 million from RMB11.0 million in FY14.

Overall, the increase was mainly due to an increase in rental income received from related parties.

(iv) Distribution and Selling Expenses

In 4Q15, the Group's distribution and selling expenses increased by 39.4% to RMB17.2 million from RMB12.4 million in 4Q14. The increase was mainly due to upward revision of sales commission payable to the sales personnel for FY15.

In FY15, the Group's distribution and selling expenses decreased by 2.4% to RMB55.3 million from RMB56.7 million in FY14. As a percentage of total revenue, distribution and selling expenses increased by 3.3% to 9.9% in FY15 from 6.6% in FY14.

The decrease was mainly due to a decrease in transport expenses, travelling expenses, entertainment expenses and warranty services expenses which was partially offset by an upward revision of sales commission payable to the sales personnel for FY15 in 4Q15.

(v) Administrative Expenses

In 4Q15, the Group's administrative expenses increased by 50.3% to RMB16.0 million from RMB10.7 million in 4Q14.

In FY15, the Group's administrative expenses decreased by 7.1% to RMB61.8 million from RMB66.6 million in FY14. As a percentage of total revenue, administrative expenses increased by 3.4% to 11.1% in FY15 from 7.7% in FY14.

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

Despite a decrease in research and development costs for stamping machines, the Group continues to enhance its technical capabilities to launch higher value added stamping machines through its research and development.

(vi) Depreciation and amortisation expenses

In 4Q15, the Group's depreciation and amortisation expenses increased by 1.0% to RMB15.6 million from RMB15.5 million in 4Q14.

In FY15, the Group's depreciation and amortisation expenses increased by 12.3% to RMB64.9 million from RMB57.8 million in FY14.



Overall, the increase was mainly due to an increase in depreciation and amortisation charged by its subsidiaries for the property, plant and equipment and intangible assets acquired in FY15.

(vii) Other Operating Expenses, net

In 4Q15, the Group recorded a net other operating expenses of RMB8.6 million.

In FY15, the Group's net other operating expenses increased by 133.4% to RMB14.9 million from RMB6.4 million in FY14.

Overall, the increase was mainly due to an increase in allowance for doubtful debts and foreign exchange loss.

(viii) Finance Expenses

In 4Q15, the Group's finance expenses recorded a decrease of 66.3% to RMB2.8 million from RMB8.4 million in 4Q14.

In FY15, the Group's finance expenses recorded an increase of 22.3% to RMB14.9 million from RMB12.1 million in FY14.

Overall, there was an increase mainly due to no capitalisation of interest expenses relating to the Shenyang plant since trial production had started in 2Q2014 and the interest paid for early redemption of bill receivables. This was partially offset by a gradual decrease in interest expenses resulting from the gradual decrease in bank loans.

(ix) Profit/(Loss) Before Tax

Overall, the Group's (loss)/profit before tax had decreased in tandem with the Group's gross profit for 4Q15 and FY15.

In 4Q15, the Group recorded a loss before tax of RMB3.8 million.

In FY15, the Group's profit before tax decreased by 69.8% to RMB40.7 million from RMB134.5 million in FY14.

(x) Income Tax Expense

In 4Q15, the Group's tax expense increased by 0.8% to RMB7.0 million from RMB6.9 million in 4Q14.

In FY15, the Group's tax expense decreased by 28.3% to RMB19.0 million from RMB26.5 million in FY14.

Overall, the decrease was mainly due to a decrease in income tax payable as a result of decrease in PBT offset by an increase in deferred tax liability provision.

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



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

(xi) Net Profit/(Loss) After Tax

Overall, the Group's net (loss)/profit after tax had not decreased in tandem with the Group's PBT for 4Q15 and FY15.

In 4Q15, the Group recorded a net loss after tax of RMB10.8 million and a net loss margin of 8.7%.

In FY15, the Group's net profit after tax decreased by 79.9% to RMB21.7 million from RMB108.0 million in FY14. Net profit margin decreased by 8.6% to 3.9% from 12.5% in FY14.

(B) Consolidated Balance Sheet (31 December 2015 vs 31 December 2014)

For the period under review, the Group's non-current assets decreased by approximately RMB42.1 million mainly due to the depreciation and amortisation charges net of the acquisition of property, plant and equipment and intangible assets in respect of its subsidiaries.

For the period under review, the Group's non-current liabilities decreased by RMB68.9 million mainly due to reclassification RMB70.0 million long-term bank loans due within a year to current bank loans which was offset by an increase in deferred tax liability of RMB1.1 million. The bank loans were used to fund the acquisition of property, plant and equipment for its subsidiary in Shenyang, China.

The Group's total current assets decreased by approximately RMB97.1 million from RMB740.8 million as at 31 December 2014 to RMB643.7 million as at 31 December 2015. This was attributable to a decrease in trade receivables (which was mainly due to tighten debt collection control imposed by the Company and in tandem with decrease in sales) and cash and cash equivalent (explained in the consolidated cash flow statement) which were offset by an increase in inventories (as a result of decrease in sales), other receivables (which was mainly due to an increase in prepayment for raw materials) and amounts due from related parties (trade related).

Concurrently, the Group's total current liabilities decreased by approximately RMB4.4 million from RMB424.8 million as at 31 December 2014 to RMB420.4 million as at 31 December 2015. The decrease was attributable to a decrease in other payables and accruals (which was mainly due to payment for property, plant and equipment completed and/or received), short term bank loans (mainly due to repayment of bank loan offset by reclassification from long term bank loans to short term bank loans), amounts due to related parties (non-trade related) and tax payable. Such decrease was partially offset by an increase in trade payables (which was mainly due to slow payment to suppliers) and amounts due to related parties (trade related).

The Group is in a net current assets position as at 31 December 2015 of RMB223.3 million.



(C) Consolidated Cash Flow Statement

For the 3 months ended 31 December 2015, the Group recorded a net cash decrease of approximately RMB27.3 million. This was mainly due to: -

- a) the net cash inflow arising from operating activities which amounted to RMB76.0 million. The reasons were discussed in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position.
- b) the net cash outflow arising from financing activities which amounted to RMB68.0 million arose mainly from net repayment of bank loans, interest paid and dividend paid.
- c) the net cash outflow arising from investing activities amounted to RMB35.3 million was mainly due to the acquisition of property, plant and equipment and capitalisation of research and development costs.

For the full year ended 31 December 2015, the Group recorded a net cash decrease of approximately RMB40.3 million. This was mainly due to: -

- a) The net cash inflow arising from operating activities amounted to RMB207.8 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 RMB189.6 million arose mainly from net repayment of bank loans, interest paid and dividend paid.
- c) The net cash outflow arising from investing activities which amounted to RMB58.4 million was mainly due to the acquisition of property, plant and equipment and capitalisation of research and development costs.

Cash and cash equivalent as at 31 December 2015 stood at RMB10.6 million (of which RMB2.0 million was pledged for bills payable.)

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

The FY15 Financial Results announcement is in line with the statement made in Paragraph 10 disclosed in the 9M15 Financial Results announcement dated 13 November 2015 i.e. Barring any unforeseen circumstances, the Group is optimistic to remain profitable in FY2015.

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

China's gross domestic product (GDP) expanded at a rate of 6.9% in 2015, the slowest pace of GDP growth since 1990 as China attempts a structural transition toward being a consumption-driven economy, rather than supported by the heavy manufacturing and construction sectors.¹ According to the National Bureau of Statistics, China's industrial output

¹ Financial Times, <http://www.ft.com/fastft/2016/01/19/asian-markets-mixed-after-china-gdp-data/>



5.9% in December 2015 from a year earlier, slowing from 6.2% growth in November 2015.² In line with the increasing downward pressure on the economy and uncertain international environment, the profits made by industrial enterprises above the designated size achieved RMB6,355.4 billion in 2015, a decrease of 2.3% over last year.³

Despite the bleak macro outlook, certain sectors such as the domestic automobile and smart home appliance markets remain robust underpinned by China's plan to boost domestic consumption and to double per-capita income of both urban and rural residents by 2020 in the 13th Five-Year Plan (13FYP).⁴ Stimulus policies introduced by the central government such as the 10% purchase tax cut by half in September 2015 and subsidies for rural Chinese who purchase a passenger vehicle will further boost auto sales in 2016.⁵ Meanwhile, sales of home appliances have been gaining momentum in 2015 and are expected to generate sales of RMB2.2 trillion by 2020 according to China Market Monitor. Intelligent appliances will become increasingly popular and its demand will reach RMB1.5 trillion during the 13FYP period.⁶

In view of the uncertainties due to falling global oil price and slower domestic economy growth, the Group will thread on cautiously in the coming months as we continue to focus on research and development and product diversification. Barring any unforeseen circumstances, the Group is cautiously optimistic to remain profitable in FY2016.

The Group's order book stood at RMB105.9 million as at 22 February 2016.

11. Dividend

(a) Current Financial Period Reported On

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

<u>Name of Dividend</u>	<u>Interim Dividend</u>	<u>Proposed Final Dividend</u>
<u>Dividend Type</u>	Cash; Tax-Exempt (One-Tier) dividend	Cash; Tax-Exempt (One-Tier) dividend
<u>Dividend Rate</u>	RMB0.125 per share	RMB0.125 per share
<u>Tax Rate</u>	Tax-Exempt (One-Tier)	Tax-Exempt (One-Tier)
<u>Date of payment</u>	16 December 2015	The proposed final Tax-Exempt (One-Tier) dividend, if approved at the Annual General Meeting to be held on 28 April 2016, will be paid on 6 June 2016.

² National Bureau of Statistics of the PRC,
http://www.stats.gov.cn/tjsj/zxfb/201601/t20160119_1306102.html

³ National Bureau of Statistics of the PRC,
http://www.stats.gov.cn/tjsj/zxfb/201601/t20160127_1310925.html

⁴ Xinhuanet, http://news.xinhuanet.com/fortune/2015-11/03/c_1117027676.htm

⁵ Wall Street Journal,
<http://www.wsj.com/articles/in-chinas-car-market-price-matters-more-than-volume-1451833006>

⁶ China Daily, http://www.chinadaily.com.cn/business/2015-12/22/content_22769895.htm



(b)Corresponding Period of the Immediately Preceding Financial Year

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

Yes. A final dividend of RMB0.10 per share, Tax-Exempt (One-Tier), has been declared for the financial year ended 31 December 2014.

(c) Date payable

Monday, 6 June 2016.

(d) Books closure date

Up to 5.00 p.m. on 23 May 2016.

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

A final dividend of RMB0.125 per share, tax exempt (one-tier), has been recommended for the financial year ended 31 December 2015. The proposed final Tax-Exempt (One-Tier) dividend, if approved at the Annual General Meeting to be held on 28 April 2016, will be paid on 6 June 2016.

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

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

IPTs for FY15 are as follows: -

Name of Interested Person	FY 2015
	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) RMB'000
<u>Jiangsu World Machinery and Electronics Group Co., Ltd.</u>	
Processing fees received and sale of raw materials.	185
<u>Jiangsu World Machinery and Electronics Group Co., Ltd.</u>	
Processing fees paid and purchase of scrap materials.	3,755
<u>Jiangsu World Plant-Protecting Machinery Co., Ltd.</u>	
Processing fees received, sale of raw materials and parts.	440
<u>Jiangsu World Plant-Protecting Machinery Co., Ltd.</u>	
Purchase of raw materials and scrap materials.	1,736



<u>Jiangsu World Agriculture Machinery Co., Ltd.</u>	
Processing fees received, sale of raw materials, parts and machineries.	14,179
<u>Jiangsu World Agriculture Machinery Co., Ltd.</u>	
Purchase of scrap materials.	1,727
<u>Jiangsu World Agriculture Machinery & Parts Manufacturing Co., Ltd.</u>	
Processing fees received, sale of raw materials, parts and machineries.	11,309
<u>Jiangsu World Agriculture Machinery & Parts Manufacturing Co., Ltd.</u>	
Processing fees paid, purchase of raw materials, parts and scrap materials.	7,203
<u>World Agriculture (Shenyang) Co., Ltd.</u>	
Sales of raw materials and rental income.	8,004
<u>World Heavy Industry (China) Co., Ltd.</u>	
Sale of raw materials and parts.	4,871
<u>World Heavy Industry (China) Co., Ltd.</u>	
Purchase of scrap materials and equipment.	1,091
<u>Jiangsu World Crane Co., Ltd.</u>	
Purchase of equipment.	2
<u>Jiangsu World Precise Machinery Co., Ltd.</u>	
Land rental paid.	804
<u>Jiangsu World Furniture Co., Ltd.</u>	
Processing fee received and sale of parts.	43
Total:	55,349

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

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



PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

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

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

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

Not Applicable.

- 16. A breakdown of sales.**

	The Group		
	FY2015	FY2014	Increase/(decrease)
	RMB'000	RMB'000	%
(a) Sales reported for first half year	305,193	467,552	(34.7)
Profit after tax before deducting non-controlling interest for first half year	25,440	55,521	(54.2)
(b) Sales reported for second half of year	253,928	396,751	(36.0)
(Loss)/Profit after tax before deducting non-controlling interest for first half year	(3,773)	52,495	(107.2)
(c) Sales reported for full year	559,121	864,303	(35.3)
Profit after tax before deducting non-controlling interest for full year	21,667	108,017	(79.9)



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

	FY2015	FY2014
	RMB'000	RMB'000
Ordinary	100,000	80,000
Preference	-	-
Total	100,000	80,000

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Li Wenjuan	35	Daughter-in-law of Mr. Shao Jianjun, World Precision Machinery Limited's Executive Chairman	Finance Manager of World Precision Machinery Limited since August 2015. She is responsible for accounting and financial function of the Company.	She relinquished her secondment to WHMT with the position as Deputy Finance Manager. She is resuming her position as Finance Manager of World Precision Machinery Limited and responsible for accounting and financial function of the Company.



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
Ge Minglei	40	Husband of Ms. Jiang Hongdi, World Precision Machinery Limited's Executive Director	Deputy General Manager of WPMC since Nov 2015. He is responsible for technical support for marketing, sales and after sales services of the Group.	Promoted from Deputy Chief Engineer of WPMC to Deputy General Manager of WPMC. His duty will be changed from formulation of development plans for technology, as well as supervising its implementation to technical support for marketing, sales and after sales services.
Wu Xiaofang	49	Brother of Mr. Wu Yufang, World Precision Machinery Limited's Chief Executive Officer	Sales Regional Manager of WPMC since Nov 2015. He is responsible for sales of the Group.	With the merger of WPMM into WPMC, he has been transferred to WPMC. No change in the position held and duties.

BY ORDER OF THE BOARD

Wu Yufang
Chief Executive Officer
27 February 2016