



**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 first quarter from 1 January 2019 to 31 March 2019 (“1Q2019”). The comparative is for the first quarter from 1 January 2018 to 31 March 2018 (“1Q2018”). The 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		
	1.1.2019 to 31.3.2019 RMB'000	1.1.2018 to 31.3.2018 RMB'000	Change %
Revenue	239,946	195,813	22.5%
Cost of sales	(200,185)	(170,018)	17.7%
Gross profit	39,761	25,795	54.1%
Gross profit margin (%)	16.6%	13.2%	3.4%
Other income and gains	2,815	2,456	14.6%
Distribution and selling expenses	(23,611)	(14,568)	62.1%
Administrative expenses	(15,112)	(12,026)	25.7%
Other expenses, net	(520)	(297)	75.1%
Net impairment losses on financial assets	-	1,440	N.M.
Finance expenses	(386)	(426)	(9.4%)
Profit before tax	2,947	2,374	24.1%
Tax expense	(854)	(1,196)	(28.6%)
Profit for the period	2,093	1,178	77.7%
Net profit margin (%)	0.9%	0.6%	0.3%
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss:			
Currency translation differences arising on consolidation	26	29	(10.3%)
Total comprehensive income for the period	2,119	1,207	75.6%
Total comprehensive income attributable to:			
Equity holders of the Company	2,119	1,207	75.6%

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 have been amalgamated into WPMC.

(B) Profit before tax

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

	<b>Group</b>	
	<b>1.1.2019 to 31.3.2019 RMB'000</b>	<b>1.1.2018 to 31.3.2018 RMB'000</b>
Amortisation of land use rights	759	759
Amortisation of intangible assets	2,025	2,623
Depreciation of property, plant and equipment	13,506	13,945
Interest expenses	352	417
Interest income	(141)	(540)
Loss on foreign currency exchange	39	20
Property, plant and equipment written off	3	201
Write-back of allowance for expected credit losses of trade receivables	-	(1,440)



**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	
	31.3.2019 RMB'000	31.12.2018 RMB'000	31.3.2019 RMB'000	31.12.2018 RMB'000
<b>Non-current assets</b>				
Property, plant and equipment	793,812	783,146	-	-
Investments in subsidiaries	-	-	797,557	812,892
Land use rights	121,638	122,397	-	-
Intangible assets	37,570	36,924	-	-
Right-to-use assets	4,915	-	-	-
Other receivables	1,757	815	-	-
<b>Total non-current assets</b>	<b>959,692</b>	<b>943,282</b>	<b>797,557</b>	<b>812,892</b>
<b>Current assets</b>				
Inventories	355,610	391,167	-	-
Land use rights	3,003	3,003	-	-
Trade receivables	160,147	132,102	-	-
Other receivables	34,264	25,082	54	14
Due from related parties (trade)	41,010	48,063	-	-
Due from related parties (non-trade)	196	-	-	-
Due from a subsidiary (non-trade)	-	-	-	25
Cash and cash equivalents	24,615	21,261	57	366
<b>Total current assets</b>	<b>618,845</b>	<b>620,678</b>	<b>111</b>	<b>405</b>
<b>Total assets</b>	<b>1,578,537</b>	<b>1,563,960</b>	<b>797,668</b>	<b>813,297</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	5,018	5,018	-	-
Lease liabilities	4,191	-	-	-
	<b>9,209</b>	<b>5,018</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Contract liabilities	34,195	77,869	-	-
Trade payables	273,051	247,257	-	-
Bills payables	18,489	9,125	-	-
Other payables	125,935	127,858	533	766
Due to related parties (trade)	16,966	1,058	-	-
Due to related parties (non-trade)	1,355	981	-	-
Due to a subsidiary (non-trade)	-	-	969	1,012
Borrowings	29,100	27,400	-	-
Lease liabilities	724	-	-	-
<b>Total current liabilities</b>	<b>499,815</b>	<b>491,548</b>	<b>1,502</b>	<b>1,778</b>
<b>Total liabilities</b>	<b>509,024</b>	<b>496,566</b>	<b>1,502</b>	<b>1,778</b>
<b>Net assets</b>	<b>1,069,513</b>	<b>1,067,394</b>	<b>796,166</b>	<b>811,519</b>



	Group		Company	
	31.3.2019	31.12.2018	31.3.2019	31.12.2018
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Equity attributable to the equity holders of the Company</b>				
Share capital	250,660	250,660	250,660	250,660
Retained earnings	582,645	581,157	537,498	537,542
Currency translation reserve	9,812	9,786	8,008	23,317
Statutory reserves	129,299	128,694	-	-
Capital reserve	97,097	97,097	-	-
<b>Total equity</b>	<b>1,069,513</b>	<b>1,067,394</b>	<b>796,166</b>	<b>811,519</b>

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

	As at 31 March 2019		As at 31 December 2018	
	Secured	Unsecured	Secured	Unsecured
	RMB '000	RMB '000	RMB '000	RMB '000
<b>Current liabilities</b>				
Borrowings	29,100	-	27,400	-

**Details of any collateral**

As at 31 March 2019, bank loans comprised the following:

- 1) RMB6.5 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 2Q2019.
- 2) RMB22.6 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 3Q2019.



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	
	1.1.2019 to 31.3.2019	1.1.2018 to 31.3.2018
	RMB'000	RMB'000
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	2,947	2,374
Adjustments for:		
Amortisation of intangible assets	2,025	2,623
Amortisation of land use rights	759	759
Depreciation of property, plant and equipment	13,506	13,945
Interest expense	352	417
Interest income	(141)	(540)
Property, plant and equipment written off	3	201
<b>Operating cash flow before working capital changes</b>	19,451	19,779
Inventories	35,558	(18,653)
Receivables	(30,371)	(25,804)
Payables	2,478	37,147
Currency translation adjustments	31	(40)
<b>Cash generated from operations</b>	27,147	12,509
Interest received	141	540
Income tax paid	(854)	(1,134)
<b>Net cash from operating activities</b>	26,434	11,915
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (Note A)	(31,117)	(28,074)
Additions of intangible assets	(2,670)	(2,850)
<b>Net cash used in investing activities</b>	(33,787)	(30,924)
<b>Cash flows from financing activities</b>		
Proceeds from bank loans	22,600	10,000
Repayment of bank loans	(20,900)	(10,000)
Bank deposits released from pledge	9,296	570
Bank deposits pledge	(368)	(570)
Interest paid	(352)	(417)
Increase in bills payables to bank	9,364	10,980
<b>Net cash from financing activities</b>	19,640	10,563



	<b>Group</b>	
	<b>1.1.2019 to 31.3.2019</b>	<b>1.1.2018 to 31.3.2018</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Net increase/(decrease) in cash and cash equivalents	12,287	(8,446)
Cash and cash equivalents at beginning of the financial period	11,965	15,940
Effect of exchange rate changes on cash and cash equivalents	(5)	(11)
Cash and cash equivalents at end of the financial period	<u>24,247</u>	<u>7,483</u>
Cash and cash equivalents per consolidated statement of cash flows	24,247	7,483
Bank deposits pledged	368	570
<b>Cash and cash equivalents per consolidated statement of financial positions</b>	<u>24,615</u>	<u>8,053</u>

**Note A:**

	<b>Group</b>	
	<b>1.1.2019 to 31.3.2019</b>	<b>1.1.2018 to 31.3.2018</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Total additions to property, plant and equipment	24,175	4,763
Add: changes in unpaid portion	6,001	17,723
Add: changes in prepayments	941	5,588
Purchase of property, plant and equipment per consolidated statement of cash flows	<u>31,117</u>	<u>28,074</u>



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**

	Total equity attributable to equity holders of the Company					
	Share capital	Retained earnings	Currency translation		Capital reserve	Total equity
			reserve	Statutory reserves		
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
<b>Balance as at 1.1.2019</b>	250,660	581,157	9,786	128,694	97,097	1,067,394
Profit for the period	-	2,093	-	-	-	2,093
<i>Other comprehensive income</i>						
Currency translation differences arising on consolidation	-	-	26	-	-	26
Total comprehensive income for the period	-	2,093	26	-	-	2,119
Transfer to statutory reserves fund	-	(605)	-	605	-	-
<b>Balance as at 31.3.2019</b>	250,660	582,645	9,812	129,299	97,097	1,069,513
	Share capital	Retained earnings	Currency translation		Capital reserve	Total equity
RMB'000	RMB'000	RMB'000	reserve	Statutory reserves	RMB'000	RMB'000
<b>Balance as at 1.1.2018</b>	250,660	576,607	9,901	127,118	97,097	1,061,383
Profit for the period	-	1,178	-	-	-	1,178
<i>Other comprehensive income</i>						
Currency translation differences arising on consolidation	-	-	29	-	-	29
Total comprehensive income for the period	-	1,178	29	-	-	1,207
Transfer to statutory reserves fund	-	(618)	-	618	-	-
<b>Balance as at 31.3.2018</b>	250,660	577,167	9,930	127,736	97,097	1,062,590

**Company**

	Total equity attributable to equity holders of the Company			
	Share capital	Retained earnings	Currency translation reserve	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance as at 1.1.2019</b>	250,660	537,542	23,317	811,519
Loss for the period	-	(44)	-	(44)
<i>Other comprehensive loss</i>				
Currency translation differences arising from translation into the presentation currency	-	-	(15,309)	(15,309)
Total comprehensive loss for the period	-	(44)	(15,309)	(15,353)
<b>Balance as at 31.3.2019</b>	250,660	537,498	8,008	796,166

	Share capital	Retained earnings	Currency translation reserve	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
	<b>Balance as at 1.1.2018</b>	250,660	534,407	(6,259)
Loss for the period	-	(171)	-	(171)
<i>Other comprehensive loss</i>				
Currency translation differences arising from translation into the presentation currency	-	-	(11,587)	(11,587)
Total comprehensive loss for the period	-	(171)	(11,587)	(11,587)
<b>Balance as at 31.3.2018</b>	250,660	534,236	(17,846)	767,050

**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 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 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 three months ended 31 March 2019, 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 March 2019	As at 31 December 2018
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, cancellation and/or use of treasury shares as at the 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 consolidated financial statements as of 31 December 2018.

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 the new Singapore Financial Standards (International) ("SFRS(I)") 16 *Leases* for the financial year beginning on or after 1 January 2019. SFRS(I) 16 introduces new and amended requirements with respect to lease accounting. It introduces significant changes to the lease accounting by removing the distinction between operating and finance lease and requiring the recognition of right-to-use assets and lease liabilities at commencement of all leases, except for short-term leases and leases of low value assets.

The Group has adopted all new and revised and interpretations of SFRS(I) that are relevant to its operations and effective for annual periods beginning after 1 January 2019. The adoption of the new and revised SFRS(I) had no significant impact on the financial statements of the Group.

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.**

	1.1.2019 to 31.3.2019	1.1.2018 to 31.3.2018
(a) Based on weighted average number of ordinary shares on issue (RMB); and	0.01	0.00
(b) On a fully diluted basis (RMB)	0.01	0.00
Weighted average number of shares	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	
	31.3.2019	31.12.2018	31.3.2019	31.12.2018
	RMB	RMB	RMB	RMB
Net asset value per ordinary share based on issued share capital at the end of the respective periods:	2.67	2.67	1.99	2.03
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 31 March 2019 ("1Q2019"), the Group's revenue increased by 22.5% to RMB239.9 million from RMB195.8 million for the 3 months ended 31 March 2018 ("1Q2018").

In terms of sales performance for 1Q2019, sales of conventional stamping machines decreased by 17.1% whereas sales of high performance and high tonnage stamping machines increased by 20.4% compared to 1Q2018.

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

The Group's revenue was mainly derived from sales in Jiangsu, Zhejiang, Guangdong and Guangxi.

#### (ii) Gross Profit

The Group's gross profit for 1Q2019 increased by 54.1% to RMB39.8 million from RMB25.8 million in 1Q2018. The gross profit margin increased by 3.4% to 16.6% in 1Q2018 from 13.2% in 1Q2018.



In terms of stamping machines' gross profit margin for 1Q2019, gross profit margin for conventional stamping machines increased by 8.9% to 14.5% in 1Q2018 from 5.6% in 1Q2017 while gross profit margin for high performance and high tonnage stamping machines increased by 1.8% to 19.5% in 1Q2018 from 17.7% in 1Q2017.

Overall, the increase in the Group's gross profit margin for 1Q2019 was mainly due to an upward revision in the average selling prices of the stamping machines which was partially offset by an increase in raw materials costs, labour costs and a decrease in production of conventional stamping machines and high performance and high tonnage stamping machines.

**(iii) Other Income and gains**

In 1Q2019, the Group's other income and gains increased by 14.6% to RMB2.8 million from RMB2.5 million in 1Q2018.

The increase was mainly due to an increase in government grant received.

**(iv) Distribution and Selling Expenses**

In 1Q2019, the Group's distribution and selling expenses increased by 14.6% to RMB23.6 million from RMB14.6 million in 1Q2018 in tandem with increase in revenue. As a percentage of total revenue, distribution and selling expenses increased by 2.4% to 9.8% in 1Q2019 from 7.4% in 1Q2018.

The increase was mainly due to an increase in salary and commission payable to sales personnel.

**(v) Administrative Expenses**

In 1Q2019, the Group's administrative expenses increased by 25.7% to RMB15.1 million from RMB12.0 million in 1Q2018. As a percentage of total revenue, administrative expenses increased by 0.2% to 6.3% in 1Q2019 from 6.1% in 1Q2018.

Overall, the increase was mainly due to an increase in research and development costs for stamping machines and staff related costs.

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 1Q2019, the Group's depreciation and amortisation expenses decreased by 6.0% to RMB16.3 million from RMB17.3 million in 1Q2018.

The decrease was mainly due to certain property, plant and equipment and intangible assets having fully depreciated and amortised in 1Q2019.

**(vii) Other Expenses, Net**

In 1Q2019, the Group's other expenses increased by 75.1% to RMB0.5 million from RMB0.3 million in 1Q2018.

The increase was mainly due to increase in payment for government related expenses.



**(viii) Net Impairment Losses on Financial Assets**

For 1Q2019, the Group's net impairment losses on financial assets is nil whereas in 1Q2018 there was a write-back of allowance for expected credit losses of trade receivables of RMB1.4 million.

**(ix) Finance Expenses**

For 1Q2019, the Group's finance expenses recorded a decrease of 9.4% to RMB0.4 million from RMB0.4 million in 1Q2018.

The decrease was mainly due to a gradual decrease in interest expenses in tandem with a gradual decrease in bank loans.

**(x) Profit Before Tax**

In 1Q2019, the Group's profit before tax ("PBT") increased by 24.1% to RMB2.9 million from RMB2.4 million in 1Q2018.

**(xi) Tax Expense**

In 1Q2019, the Group's tax expense decreased by 28.6% to RMB0.8 million from RMB1.2 million in 1Q2018.

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

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

**(xii) Net Profit After Tax**

In 1Q2019, the Group's net profit after tax increased by 77.7% to RMB2.1 million from RMB1.2 million in 1Q2018. Net profit margin increased by 0.3% to 0.9% from 0.6% in 1Q2018.

**(B) Consolidated Statement of Financial Positions**

For the period under review, the Group's non-current assets increased by approximately RMB16.4 million mainly due to the acquisition of property, plant and equipment and additions of intangible assets net of the depreciation and amortisation expenses, increase in prepayment for property, plant and equipment and right-to-use assets (recognised in accordance to SFRS(I) 16 *Leases* effective for the financial year beginning on or after 1 January 2019).

For the period under review, the Group's non-current liabilities increased by RMB4.2 million was due to lease liabilities (recognised in accordance to SFRS(I) 16 *Leases* effective for the financial year beginning on or after 1 January 2019).

The Group's total current assets decreased by approximately RMB1.8 million from RMB620.7 million as at 31 December 2018 to RMB618.8 million as at 31 March 2019. This was attributable to a decrease in inventories (mainly due to increase in sales in March) and amounts due from related parties (trade related) which were partially offset by an increase in trade receivables (mainly due to increase in sales in March), other receivables (mainly due to an increase in prepayment for raw materials and transportation costs), amounts due from related parties (non-trade related) and cash and cash equivalents.



The Group's total current liabilities increased by approximately RMB8.3 million from RMB491.5 million as at 31 December 2018 to RMB499.8 million as at 31 March 2019. This was attributable to an increase in trade payables (mainly due to slower payment to suppliers), bills payables (mainly issued to suppliers for settlement), amounts due to related parties (trade and non-trade related), bank loans (mainly due to net proceeds from bank loans) and lease liabilities which were partially offset by a decrease in contract liabilities (due to decrease in advance received from customers) and other payables (mainly due to payment for property, plant and equipment suppliers).

The Group is in a net current assets position as at 31 March 2019 of RMB119.0 million.

**(C) Consolidated Statement of Cash Flows**

For the 3 months ended 31 March 2019, the Group recorded a net cash increase of approximately RMB12.3 million. This was mainly due to: -

- a) the net cash inflow arising from operating activities amounted to RMB26.4 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 inflow arising from financing activities amounted to RMB19.6 million and which arose mainly from increase in bills payables to bank, net proceeds from bank loan and net bank deposit released from pledge which were partially offset by interest paid.
- c) the net cash outflow arising from investing activities amounted to RMB33.8 million and which was mainly due to the purchase of property, plant and equipment and additions of intangible assets.

Cash and cash equivalents as at 31 March 2019 stood at RMB24.6 million (of which RMB0.4 million was pledged for letter of credit).

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

The 1Q2019 Financial Results announcement is in line with the statement made in Paragraph 10 disclosed in the FY2018 Financial Results announcement dated 27 February 2019 i.e. Barring any unforeseen circumstances, the Group is cautiously optimistic to remain profitable in FY2019.

**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 FY2019.

The Group's order book stood at RMB152.5 million as at 25 April 2019.



**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

None.

**(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/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 1Q2019 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)
<u>Jiangsu World Machinery and Electronics Group Co., Ltd.</u>  Processing fees received and sale of raw materials and parts.	N/A	113



Processing fees paid.		592
<u>Jiangsu World Plant-Protecting Machinery Co., Ltd.</u>	N/A	
Sale of raw materials and parts.		52
Purchase of raw materials and scrap materials.		1,333
<u>Jiangsu World Agriculture Machinery Co., Ltd.</u>	N/A	
Processing fees received, sale of raw materials and parts.		7,916
Processing fee paid and purchase of scrap materials.		2,941
<u>Jiangsu World Agriculture Machinery &amp; Parts Manufacturing Co., Ltd.</u>	N/A	
Processing fees received, sale of raw materials, parts and equipment.		1,488
Processing fee paid and purchase of equipment.		19,300
<u>World Agriculture (Shenyang) Co., Ltd.</u>	N/A	
Processing fees received and sale of raw material, parts and rental income from factory.		2,005
<u>World Heavy Industry (China) Co., Ltd.</u>	N/A	
Sale of raw materials and parts.		148
Purchase of raw materials.		4,151
<u>Jiangsu World Precise Machinery Co., Ltd.</u>	N/A	
Land rental paid.		171
<u>Jiangsu World Crane Co. Ltd.</u>		
Purchase of equipment.		368
<u>Jiangsu World Furniture Co., Ltd.</u>	N/A	
Sale of raw materials and parts.		11



<u>Jiangsu World High End Agriculture Equipment Co., Ltd</u>	N/A	
Processing fees received, sale of raw materials, parts and machineries.		2,588
Purchase of raw materials.		2,858
<b>Total</b>		<b>46,035</b>

**14. 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 first quarter results of the Group for the financial period ended 31 March 2019 to be false or misleading in any material aspect.

**15. 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.

BY ORDER OF THE BOARD

**Shao Jianjun**  
Executive Chairman  
30 April 2019