



**UNITED ENVIROTECH LTD. (Company registration number: 200306466G)**

Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".

**Second Quarter Financial Statement & Dividend Announcement for the Period Ended 30 September 2012**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**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.**

<b>The Group (\$'000)</b>	<b>3 months ended 30/9/2012</b>	<b>3 months ended 30/9/2011</b>	<b>% Increase/ (Decrease)</b>	<b>6 months ended 30/9/2012</b>	<b>6 months ended 30/9/2011</b>	<b>% Increase/ (Decrease)</b>
Revenue	53,918	25,221	113.8	85,975	46,010	86.9
Other income	416	284	46.5	750	483	55.3
Changes in inventories	(231)	(224)	3.1	(161)	(50)	222.0
Material purchased, consumables used and subcontractors' fees	(34,446)	(15,227)	126.2	(52,303)	(27,157)	92.6
Employee benefits expense	(1,761)	(1,468)	20.0	(3,560)	(2,947)	20.8
Depreciation and amortisation expenses	(485)	(333)	45.6	(835)	(648)	28.9
Other operating expenses	(5,240)	(3,268)	60.3	(8,770)	(5,978)	46.7
Finance costs	(3,047)	(848)	259.3	(6,004)	(1,522)	294.5
Share of profit of associate	502	-	N/m	1,292	-	N/m
Share of profit of joint venture	174	338	(48.5)	335	633	(47.1)
<b>Profit before income tax</b>	<b>9,800</b>	<b>4,475</b>	<b>119.0</b>	<b>16,719</b>	<b>8,824</b>	<b>89.5</b>
Income tax expense	(1,431)	(764)	87.3	(2,466)	(1,574)	56.7
<b>Net profit for the period</b>	<b>8,369</b>	<b>3,711</b>	<b>125.5</b>	<b>14,253</b>	<b>7,250</b>	<b>96.6</b>
<b>Profit attributable to:</b>						
Owners of the Company	8,075	3,711	117.6	13,959	7,250	92.5
Non-controlling interests	294	-	N/m	294	-	N/m
<b>Profit for the period</b>	<b>8,369</b>	<b>3,711</b>	<b>125.5</b>	<b>14,253</b>	<b>7,250</b>	<b>96.6</b>

<b>Statement of Comprehensive Income</b>						
Net profit for the period	8,369	3,711	125.5	14,253	7,250	96.6
Currency translation (loss) gain	(5,458)	8,159	N/m	(6,033)	6,878	N/m
<b>Total comprehensive income for the period</b>	<b>2,911</b>	<b>11,870</b>	<b>(75.5)</b>	<b>8,220</b>	<b>14,128</b>	<b>(41.8)</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the company	2,624	11,870	(77.9)	7,933	14,128	(43.8)
Non-controlling interests	287	-	N/m	287	-	N/m
<b>Total comprehensive income for the period</b>	<b>2,911</b>	<b>11,870</b>	<b>(75.5)</b>	<b>8,220</b>	<b>14,128</b>	<b>(41.8)</b>

### 1(a)(ii) Breakdown to statement of comprehensive income

<b>The Group (\$'000)</b>	3 months ended 30/9/2012	3 months ended 30/9/2011	% Increase/ (Decrease)	6 months ended 30/9/2012	6 months ended 30/9/2011	% Increase/ (Decrease)
Depreciation expense	435	283	53.7	735	548	34.1
Amortisation of intangible assets	50	50	-	100	100	-
Share option expense	153	149	2.7	306	300	2.0
Interest expense	938	848	10.6	1,753	1,522	15.2
Coupon interest on convertible bonds	871	-	N/m	1,775	-	N/m
Amortisation of equity component of convertible bonds	1,238	-	N/m	2,476	-	N/m
Interest income	(153)	(66)	131.8	(367)	(143)	156.6
Unrealised net foreign exchange gain	(263)	(183)	43.7	(383)	(305)	25.6

N/m: Not meaningful

**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 30/9/2012 \$'000	Group 31/3/2012 \$'000	Company 30/9/2012 \$'000	Company 31/3/2012 \$'000
<b>ASSETS</b>				
Current assets:				
Cash and bank balances	70,069	89,458	21,855	83,420
Trade receivables	64,904	39,724	-	-
Service concession receivables	1,330	1,364	-	-
Other receivables and prepayments	58,393	73,255	58,371	53,589
Inventories	308	469	-	-
Prepaid lease	199	199	-	-
<b>Total current assets</b>	<b>195,203</b>	<b>204,469</b>	<b>80,226</b>	<b>137,009</b>
Non-current assets:				
Trade receivables	1,839	1,887	-	-
Service concession receivables	174,620	147,292	-	-
Prepaid lease	9,806	9,921	-	-
Subsidiaries	-	-	141,201	85,754
Associates	8,480	7,188	7,035	7,035
Joint venture	9,355	9,020	7,841	7,841
Property, plant and equipment	30,714	19,056	277	293
Goodwill	1,435	1,468	-	-
Intangible assets	200	200	200	200
Deferred tax assets	564	579	-	-
<b>Total non-current assets</b>	<b>237,013</b>	<b>196,611</b>	<b>156,554</b>	<b>101,123</b>
<b>Total assets</b>	<b>432,216</b>	<b>401,080</b>	<b>236,780</b>	<b>238,132</b>
<b>LIABILITIES AND EQUITY</b>				
Current liabilities:				
Bank loans	20,906	13,981	300	800
Trade payables	30,412	23,649	-	-
Other payables	18,785	13,800	6,055	2,636
Finance leases	72	73	52	52
Income tax payable	4,988	4,146	-	-
<b>Total current liabilities</b>	<b>75,163</b>	<b>55,649</b>	<b>6,407</b>	<b>3,488</b>
Non-current liabilities:				
Bank loans	41,906	44,978	-	-
Finance leases	75	115	66	92
Convertible bonds	116,691	117,074	116,691	117,074
Deferred tax liabilities	5,265	5,098	-	-
<b>Total non-current liabilities</b>	<b>163,937</b>	<b>167,265</b>	<b>116,757</b>	<b>117,166</b>

	Group 30/9/2012 \$'000	Group 31/3/2012 \$'000	Company 30/9/2012 \$'000	Company 31/3/2012 \$'000
Capital and reserves:				
Share capital	92,659	92,659	92,659	92,659
General reserve	2,646	2,646	-	-
Share option reserve	1,596	1,290	1,596	1,290
Convertible bonds reserve	22,520	22,520	22,520	22,520
Currency translation reserves	(7,825)	(1,799)	(1,930)	(1,813)
Accumulated profits	73,376	60,850	(1,229)	2,822
<b>Total equity attributable to owners of the Company</b>	184,972	178,166	113,616	117,478
Non-controlling interests	8,144	-	-	-
<b>Total equity</b>	193,116	178,166	113,616	117,478
<b>Total liabilities and equity</b>	432,216	401,080	236,780	238,132

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

**Amount repayable in one year or less, or on demand**

<u>As at 30/9/2012</u>		<u>As at 31/3/2012</u>	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
5,818	15,160	8,054	6,000

**Amount repayable after one year**

<u>As at 30/9/2012</u>		<u>As at 31/3/2012</u>	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
8,186	33,795	8,431	36,662

**Details of any collateral**

1. The finance leases of \$147,000 (31 March 2012: \$188,000) is secured over the Group's motor vehicles with carrying value of \$231,000 (31 March 2012: \$273,000).
2. The bank term loan of \$116,000 (31 March 2012: \$120,000) is secured over the freehold properties of its Malaysia subsidiary, Dataran Tenaga (M) Sdn Bhd with carrying value of \$296,000 (31 March 2012: \$298,000).
3. The long term bank loans of \$13,741,000 (31 March 2012: \$16,177,000) are secured over the service concession receivables and the treatment plant and prepaid lease of its subsidiaries with carrying value of \$66,989,000 (31 March 2012: \$76,797,000).

**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.**

<b>The Group (\$'000)</b>	3 months ended 30/9/2012	3 months ended 30/9/2011	6 months ended 30/9/2012	6 months ended 30/9/2011
<b>Operating activities</b>				
Profit before income tax	9,800	4,475	16,719	8,824
Adjustments for:				
Interest income	(153)	(66)	(367)	(143)
Interest expense	3,047	848	6,004	1,522
Share of profit of associate	(502)	-	(1,292)	-
Share of profit of joint venture	(174)	(338)	(335)	(633)
Depreciation and amortisation	485	333	835	648
Share option expense	153	149	306	300
Exchange difference arising on foreign currency translation	(5,412)	8,862	(6,235)	7,983
Operating profit before working capital changes	7,244	14,263	15,635	18,501
Trade receivables	(17,696)	(4,668)	(25,132)	(6,092)
Other receivables	(592)	(3,009)	14,862	(3,931)
Inventories	231	224	161	50
Trade payables	4,938	3,725	6,763	4,141
Other payables	6,473	(883)	734	(3,481)
Cash generated from operations	598	9,652	13,023	9,188
Interest received	153	66	367	143
Interest paid	(938)	(848)	(1,753)	(1,522)
Income tax paid	(984)	(127)	(1,442)	(1,401)
Net cash from (used in) operating activities	(1,171)	8,743	10,195	6,408
<b>Investing activities</b>				
Additions to property, plant and equipment	(8,136)	-	(11,573)	(1,632)
Service concession receivables	(27,319)	(23,336)	(27,319)	(30,002)
Non-controlling interests	7,857	-	7,857	-
Net cash used in investing activities	(27,598)	(23,336)	(31,035)	(31,634)
<b>Financing activities</b>				
Dividend paid	(1,433)	(1,433)	(1,433)	(1,433)
Repayment of obligations under finance leases	(22)	(16)	(41)	(43)
Proceeds from bank borrowings	4,501	2,510	5,716	11,207
Repayment of bank borrowings	(1,863)	(1,182)	(1,863)	(1,182)
Net cash (used in) from financing activities	1,183	(121)	2,379	8,549
Net decrease in cash and cash equivalents	(27,586)	(14,714)	(18,461)	(16,677)
Cash and cash equivalents at beginning of period	98,555	44,900	89,458	47,235
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	(900)	1,709	(928)	1,337
Cash and cash equivalents at end of period	70,069	31,895	70,069	31,895

**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.**

	Share capital \$'000	General reserve \$'000	Share option reserves \$'000	Convertible bonds reserves \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total equity attributable to owners of the Company \$'000	Non controlling interests \$'000	Total equity \$'000
<b>Group</b>									
At 1 April 2012	92,659	2,646	1,290	22,520	(1,799)	60,850	178,166	-	178,166
Total comprehensive income for the period	-	-	-	-	(575)	5,884	5,309	-	5,309
Recognition of share-based payment	-	-	153	-	-	-	153	-	153
At 30 June 2012	92,659	2,646	1,443	22,520	(2,374)	66,734	183,628	-	183,628
Total comprehensive income for the period	-	-	-	-	(5,451)	8,075	2,624	287	2,911
Recognition of share-based payment	-	-	153	-	-	-	153	-	153
Non-controlling interest arising from incorporation of subsidiaries	-	-	-	-	-	-	-	7,857	7,857
Dividend paid	-	-	-	-	-	(1,433)	(1,433)	-	(1,433)
At 30 September 2012	92,659	2,646	1,596	22,520	(7,825)	73,376	184,972	8,144	193,116

	Share capital \$'000	General reserve \$'000	Share option reserves \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total equity \$'000
<b>Group</b>						
At 1 April 2011	92,659	2,009	611	(6,814)	52,445	140,910
Total comprehensive income for the period	-	-	-	(1,281)	3,539	2,258
Recognition of share-based payment	-	-	151	-	-	151
At 30 June 2011	92,659	2,009	762	(8,095)	55,984	143,319
Total comprehensive income for the period	-	-	-	8,159	3,711	11,870
Recognition of share-based payment	-	-	149	-	-	149
Dividend paid	-	-	-	-	(1,433)	(1,433)
At 30 September 2011	92,659	2,009	911	64	58,262	153,905

	Share capital \$'000	Share option reserve \$'000	Convertible bond reserve \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total equity \$'000
<b><u>Company</u></b>						
At 1 April 2012	92,659	1,290	22,520	(1,813)	2,822	117,478
Total comprehensive income for the period	-	-	-	1	(1,030)	(1,029)
Recognition of share-based payment	-	153	-	-	-	153
At 30 June 2012	92,659	1,443	22,520	(1,812)	1,792	116,602
Total comprehensive income for the period	-	-	-	(118)	(1,588)	(1,706)
Recognition of share-based payment	-	153	-	-	-	153
Dividend paid	-	-	-	-	(1,433)	(1,433)
At 30 September 2012	92,659	1,596	22,520	(1,930)	(1,229)	113,616

	Share capital \$'000	Share option reserve \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total equity \$'000
<b><u>Company</u></b>					
At 1 April 2011	92,659	611	(3,011)	1,496	91,755
Total comprehensive income for the period	-	-	(609)	(741)	(1,350)
Recognition of share-based payment	-	151	-	-	151
At 30 June 2011	92,659	762	(3,620)	755	90,556
Total comprehensive income for the period	-	-	4,259	1,090	5,349
Recognition of share-based payment	-	149	-	-	149
Dividend paid	-	-	-	(1,433)	(1,433)
At 30 September 2011	92,659	911	639	412	94,621

**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 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 current financial period, there is no change in the company's share capital. The total number of ordinary shares in issue was 477,596,000.

The total number of shares that may be issued on conversion of all the outstanding convertibles bonds and employees shares options were 305,000,007 (30 September 2011: Nil) and 11,750,000 (30 September 2011: 12,551,000) respectively.

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

	30/9/2012	31/3/2012
Total number of issued shares ('000)	477,596	477,596

The company does not have any treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial 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.

**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.**

The accounting policies and methods of computation are the same as in the Company's audited consolidated financial statements for the financial year ended 31 March 2012.



- 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.**

There is no change in the accounting policies and methods of computation.

- 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.**

	Group 3 months ended 30/9/2012	Group 3 months ended 30/9/2011	Group 6 months ended 30/9/2012	Group 6 months ended 30/9/2011
Net profit attributable to shareholders of the Company(\$'000)	8,075	3,711	13,959	7,250
Weighted average number of shares in issue (in '000) for computation of Basic EPS	477,596	477,596	477,596	477,596
Earning per share (cents)- Basic	1.69	0.78	2.92	1.52
Weighted average number of shares in issue (in '000) for computation of Diluted EPS	489,346	490,147	489,346	490,147
Earning per share (cents) – Diluted	1.65	0.76	2.85	1.48

For the purpose of calculating diluted EPS, assumption was made that the total employee share options issued will be converted to ordinary shares. The computation does not assume the exercise of the convertible bond as the exercise price of those convertible bond was higher than the average market price of the shares for the three months ended 30 September 2012.

- 7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**
- (a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group 30/9/2012	Group 31/3/2012	Company 30/9/2012	Company 31/3/2012
Net asset value (\$'000)	193,116	178,166	113,616	117,478
Net asset value per share (cents)	40.44	37.30	23.79	24.60

The net asset value per share is calculated based on the issued share capital of 477,596,000.

- 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.**

### **Statement of comprehensive income**

The Group's revenue for the period was \$53.9 million, which was \$28.7 million or 113.8% higher than last corresponding period ended 30 September 2011 of \$25.2 million. The increase was mainly due to the higher engineering and treatment revenue for the current period. The engineering revenue increased from \$19.5 million to \$44.0 million, an increase of 125.6%. The treatment revenue increased from \$5.7 million to \$9.9 million, an increase of 73.7%.

The increase in material purchased, consumables used and subcontractors' fees of \$19.2 million or 126.2% as compared to the last corresponding period ended 30 September 2011 was consistent with the increase in the engineering revenue.

The increase in other operating expenses from \$3.3 million to \$5.2 million or 60.3% as compared to the last corresponding period ended 30 September 2011 was largely due to the inclusion of the expenses from the additions of 3 subsidiaries, namely Aton Environmental (Shenyang) Co Ltd, Anhui Water Star Treatment and Operation Co Ltd and United Envirotech Water (Changyi) Co Ltd, after 30 September 2011. These subsidiaries manage and operate wastewater treatment facilities.

Finance costs pertained to bank borrowings and convertible bonds. The increase in finance costs from \$0.8 million to \$3.0 million, or 259.3% as compared to the last corresponding period ended 30 September 2011 was mainly due to the finance expense on the convertible bonds of \$2.1 million.

The Group generated profit after tax of \$8.4 million for the current period as compared to \$3.7 million in the last corresponding period ended 30 September 2011, representing an increase of 125.5%. Taking away the effect of the amortisation of the equity component of convertible bonds, the Group's net profit would have increased 158.9% to \$9.6 million, as compared to \$3.7 million in the last corresponding period ended 30 September 2011.

### **Statement of financial position**

Total current assets amounted to \$195.2 million, which was \$9.3 million lower than \$204.5 million as at 31 March 2012. The decrease was mainly due to lower cash and bank balances; and other receivables and prepayments.

Cash and bank balances decreased from \$89.5 million to \$70.1 million. The decrease was mainly due to the payment made for the acquisition of water treatment projects during the period.

Other receivables and prepayments decreased from \$73.3 million to \$58.4 million. The decrease was mainly due to the refund of the tender deposit.

The decrease in the total current assets was offset by the increase in trade receivables. Trade receivables increased from \$39.7 million to \$64.9 million. The increase was consistent with the higher revenue generated during the current financial period.

Total non-current assets amounted to \$237.0 million, which was \$40.4 million higher than \$196.6 million as at 31 March 2012. The increase was mainly due to the additions of service concession receivables during the period.

Total current liabilities amounted to \$75.2 million, which was \$19.6 million higher than \$55.6 million as at 31 March 2012. The increase was mainly due to the higher trade payables relating to the engineering projects.

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

No forecast or prospect statement has been previously disclosed to shareholders.

**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.**

As a long term growth strategy for the Group, the Group continues to expand its stable and recurring treatment income and it believes that there are opportunities for TOT/BOT/BOO investment projects in China. The Group will actively seek suitable projects for investment.

The Group believes that there is a growing demand for membrane based water and wastewater treatment services, especially in China. This is mainly due to the stricter discharge limits imposed by the Chinese government and the shortage of water supply in various parts of China. The 12<sup>th</sup> Five-year plan by the Chinese government has incorporated clear directive to increase investment in environment and water related projects. The Group believe its advanced membrane technologies, particularly Membrane Bioreactor (MBR), have a competitive edge in treating wastewater of a greater complexity to meet the stricter discharge limits and also to reclaim the treated wastewater for reuse more effectively and efficiently.

Since the last quarter, the Group has continued to secure water projects in China. The Group invested in 2 industrial wastewater treatment plants in Xintai and Weifang city in Shandong province with total design capacity of 30,000m<sup>3</sup>/day and expected to expand to 90,000m<sup>3</sup>/day in the coming years. In addition, the Group also invested in a municipal wastewater treatment cum water recycling facilities in Qitaihe city, Heilongjiang province with a combined capacity of 90,000m<sup>3</sup>/day.

Use of proceeds

The Group had on 4 October 2011 completed the issuance of convertible bond to KKR China Water Investment Holdings Limited. An update of the use of proceeds was summarised below:

	\$ million
Unutilised balance as at 22 June 2012 (as disclosed in annual report for FY2013)	118
Investment in water project in Shangzhi city, Heilongjiang province	6
Investment in water project in Changyi city, Shandong province	25
Investment in water project in Diaobingshan city, Liaoning province	8
Investment in water project in Hegang city, Heilongjiang province	3
Investment in water project in Xintai city, Shandong province	7
Total utilised	49
Unutilised balance	69

## 11. Dividend

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

Any dividend declared for the current financial period reported on? No

Name of Dividend	N/A
Dividend Type	N/A
Dividend Amount per Share (in cents)	N/A
Optional:- Dividend Rate (in %)	N/A
Par value of shares	N/A
Tax Rate	N/A

### **(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?  
No

Name of Dividend	N/A
Dividend Type	N/A
Dividend Amount per Share (in cents)	N/A
Optional:- Dividend Rate (in %)	N/A
Par value of shares	N/A
Tax Rate	N/A

### **(c) Date payable**

Not applicable

### **(d) Books closure date**

Not applicable

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

Not applicable

## 13. Related parties and interested person transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the 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.

Not applicable

- 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.**

Not applicable

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

Not applicable

- 18. Persons occupying managerial positions who are related to the directors, Chief Executive Officer or substantial shareholders**

Not applicable

**Statement by Directors**

**Pursuant to SGX Listing Rule 705(5)**

To the best of our knowledge and belief, nothing has come to the attention of the Directors of the Company which may render the Second Quarter Results of the Group for the financial period ended 30 September 2012 to be false or misleading. The financial statements and other information included in this report, present fairly in all material respects the financial condition, results of operations and cash flows of the Group of, and for the periods presented in this report.

On behalf of the Board

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Dr Lin Yucheng

Director

**BY ORDER OF THE BOARD**

**Lotus Isabella Lim Mei Hua**  
**Company secretary**  
**6 November 2012**

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Yeung Koon Sang

Director