



**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".

**Full Year Financial Statement & Dividend Announcement for the Year Ended 31 March 2014**

**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.**

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000	% Increase/ (Decrease)
Revenue	202,342	185,044	9.3
Other income	3,816	6,416	(40.5)
Changes in inventories	67	(109)	N/M
Material purchased, consumables used and subcontractors' fees	(106,760)	(110,079)	-
Employee benefits expense	(14,488)	(10,738)	34.9
Depreciation and amortisation expenses	(6,234)	(1,980)	214.8
Other operating expenses	(33,822)	(19,258)	75.6
Finance costs	(17,632)	(12,957)	36.1
Share of profit of associates	1,776	1,826	-
Share of profit of joint venture	2,125	974	118.2
<b>Profit before income tax</b>	<b>31,190</b>	<b>39,139</b>	(20.3)
Income tax expense	(10,180)	(8,115)	25.4
<b>Net profit for the year</b>	<b>21,010</b>	<b>31,024</b>	(32.3)

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000	% Increase/ (Decrease)
Profit attributable to:			
Owners of the Company	20,089	29,515	(31.9)
Non-controlling interests	921	1,509	(39.0)
<b>Profit for the year</b>	<b>21,010</b>	<b>31,024</b>	<b>(32.3)</b>
Fair value change in Available-for-sale investment	20,392	(3,140)	N/M
Currency translation profit (loss)	4,731	(2,167)	N/M
<b>Total other comprehensive income for the year</b>	<b>25,123</b>	<b>(5,307)</b>	<b>N/M</b>
<b>Total comprehensive income for the year</b>	<b>46,133</b>	<b>25,717</b>	<b>79.4</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	45,212	24,208	86.8
Non-controlling interests	921	1,509	(39.0)
<b>Total comprehensive income for the year</b>	<b>46,133</b>	<b>25,717</b>	<b>79.4</b>

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

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000	% Increase/ (Decrease)
Employees share option expense	4,670	1,806	158.6
Interest expense on bank borrowings	4,673	3,730	25.3
Interest expense on bond	3,297	-	N/M
Finance cost on convertible bonds	9,662	9,227	4.7
Interest income	(755)	(771)	(2.1)
Foreign currency exchange loss/ (gain)	1,437	(2,120)	N/M
Gain on disposal of prepaid lease	(1,064)	-	N/M
Gain on disposal of property, plant and equipment	(40)	-	N/M

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 31/3/2014 \$'000	Group 31/3/2013 \$'000	Company 31/3/2014 \$'000	Company 31/3/2013 \$'000
<b>ASSETS</b>				
Current assets:				
Cash and bank balances	141,672	59,068	75,799	40,164
Trade receivables	103,715	99,184	-	-
Service concession receivables	3,257	135	-	-
Other receivables and prepayments	60,661	63,328	145,454	94,478
Inventories	427	360	-	-
Prepaid lease	110	183	-	-
<b>Total current assets</b>	<b>309,842</b>	<b>222,258</b>	<b>221,253</b>	<b>134,642</b>
Non-current assets:				
Trade receivables	2,241	665	-	-
Service concession receivables	285,345	181,087	-	-
Prepaid lease	5,041	9,756	-	-
Subsidiaries	-	-	156,334	139,097
Associates	10,790	9,014	6,432	6,317
Joint venture	12,119	9,994	7,308	7,688
Available-for-sale investment	53,461	32,900	53,461	32,900
Property, plant and equipment	13,459	13,276	214	249
Goodwill	1,389	1,438	-	-
Intangible assets	92,186	86,124	200	200
Deferred tax assets	615	606	-	-
<b>Total non-current assets</b>	<b>476,646</b>	<b>344,860</b>	<b>223,949</b>	<b>186,451</b>
<b>Total assets</b>	<b>786,488</b>	<b>567,118</b>	<b>445,202</b>	<b>321,093</b>
<b>LIABILITIES AND EQUITY</b>				
Current liabilities:				
Bank loans	15,381	33,064	3,150	8,566
Trade payables	104,150	54,927	-	-
Other payables	33,015	36,797	15,179	17,743
Finance leases	55	68	38	54
Income tax payable	14,158	8,544	-	-
<b>Total current liabilities</b>	<b>166,759</b>	<b>133,400</b>	<b>18,367</b>	<b>26,363</b>
Non-current liabilities:				
Bank loans	69,205	37,238	-	-
Finance leases	25	47	-	38
Bond	97,016	-	97,016	-
Convertible bonds	126,560	118,677	126,560	118,677
Deferred tax liabilities	7,756	6,422	-	-
<b>Total non-current liabilities</b>	<b>300,562</b>	<b>162,384</b>	<b>223,576</b>	<b>118,715</b>

	Group 31/3/2014 \$'000	Group 31/3/2013 \$'000	Company 31/3/2014 \$'000	Company 31/3/2013 \$'000
Capital and reserves:				
Share capital	151,325	151,325	151,325	151,325
General reserve	3,683	3,683	-	-
Share option reserve	7,766	3,096	7,766	3,096
Revaluation reserve	17,252	(3,140)	17,252	(3,140)
Convertible bonds reserve	22,520	22,520	22,520	22,520
Currency translation reserves	765	(3,966)	802	(786)
Accumulated profits	105,014	87,895	3,594	3,000
<b>Total equity attributable to owners of the Company Total equity</b>	<b>308,325</b>	<b>261,413</b>	<b>203,259</b>	<b>176,015</b>
Non-controlling interests	10,842	9,921	-	-
<b>Total equity</b>	<b>319,167</b>	<b>271,334</b>	<b>203,259</b>	<b>176,015</b>
<b>Total liabilities and equity</b>	<b>786,488</b>	<b>567,118</b>	<b>445,202</b>	<b>321,093</b>

**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 31/3/2014</u>		<u>As at 31/3/2013</u>	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
8,088	7,348	1,672	31,460

**Amount repayable after one year**

<u>As at 31/3/2014</u>		<u>As at 31/3/2013</u>	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
42,467	26,763	6,758	30,527

**Details of any collateral**

1. The finance leases of \$80,000 (31 March 2013: \$115,000) is secured over the Group's motor vehicles.
2. The bank term loan of \$106,000 (31 March 2013: \$115,000) is secured over the freehold properties of its Malaysia subsidiary.
3. The long term bank loans of \$50,369,000 (31 March 2013: \$8,200,000) are secured over the concession receivables and the treatment plants and prepaid lease of its subsidiaries.

**1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000
<b>Operating activities</b>		
Profit before income tax	31,190	39,139
Adjustments for:		
Gain on disposal of prepaid lease	(1,064)	-
Gain on disposal of property, plant and equipment	(40)	-
Interest income	(755)	(771)
Interest expense	17,632	12,957
Share of profit of associates	(1,776)	(1,826)
Share of profit of joint venture	(2,125)	(974)
Depreciation and amortisation expense	6,234	1,980
Share option expense	4,670	1,806
Exchange differences arising on foreign currency translation	6,977	(7,297)
<b>Operating profit before working capital changes</b>	<b>60,943</b>	<b>45,014</b>
Trade receivables	(6,108)	(58,238)
Other receivables and prepayments	(17,633)	(1,881)
Inventories	(67)	195
Trade payables	45,965	31,278
Other payables	(524)	6,993
<b>Cash generated from operations</b>	<b>82,576</b>	<b>23,361</b>
Interest received	755	771
Interest paid	(11,844)	(3,730)
Income tax paid	(3,241)	(1,475)
<b>Net cash from operating activities</b>	<b>68,246</b>	<b>18,927</b>
<b>Investing activities</b>		
Other receivables and prepayment – tender deposits	20,300	20,000
Other receivables and prepayment – deposit for acquisition of subsidiaries	-	(9,312)
Addition to service concession receivables	(90,790)	(64,164)
Addition to intangible assets	(11,016)	(35,270)
Advances to associate	-	1,120
Proceeds from disposal of prepaid lease	5,742	-
Proceeds from disposal of property, plant and equipment	40	-
Available for sale investment	-	(27,048)
Purchase of property, plant and equipment	(17,942)	(1,570)
Contribution from non-controlling shareholders	-	8,012
Net cash outflow from acquisition of subsidiaries	-	(1,591)
<b>Net cash used in investing activities</b>	<b>(93,666)</b>	<b>(109,823)</b>

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000
<b>Financing activities</b>		
New bank loans raised	45,610	25,324
Proceeds from issuing shares	-	49,674
Proceeds from issuing bond	97,295	-
Dividend paid	(2,970)	(1,433)
Repayment of obligations under finance lease	(35)	(73)
Repayment of bank borrowings	(31,326)	(13,981)
Fixed deposits released as security	-	206
<b>Net cash from financing activities</b>	<b>108,574</b>	<b>59,717</b>
Net increase (decrease) in cash and cash equivalents	83,154	(31,179)
Cash and cash equivalents at beginning of year	59,068	89,252
Net effect of exchange rate changes on the balance and cash held in foreign currencies	(550)	995
Cash and cash equivalents at end of year	141,672	59,068

**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	Revaluation reserve \$'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 year	-	-	-	(3,140)	-	(2,167)	29,515	24,208	1,509	25,717
Acquisition of subsidiary	-	-	-	-	-	-	-	-	400	400
Incorporation of subsidiaries	-	-	-	-	-	-	-	-	8,012	8,012
Recognition of share-based payment	-	-	1,806	-	-	-	-	1,806	-	1,806
Dividends	-	-	-	-	-	-	(1,433)	(1,433)	-	(1,433)
Transfer to general reserve	-	1,037	-	-	-	-	(1,037)	-	-	-
Issuance of share capital	58,682	-	-	-	-	-	-	58,682	-	58,682
Share issuance cost	(16)	-	-	-	-	-	-	(16)	-	(16)
At 31 March 2013	151,325	3,683	3,096	(3,140)	22,520	(3,966)	87,895	261,413	9,921	271,334
At 1 April 2013										
Total comprehensive income for the year	-	-	-	20,392	-	4,731	20,089	45,212	921	46,133
Recognition of share-based payment	-	-	4,670	-	-	-	-	4,670	-	4,670
Dividends	-	-	-	-	-	-	(2,970)	(2,970)	-	(2,970)
At 31 March 2014	151,325	3,683	7,766	17,252	22,520	765	105,014	308,325	10,842	319,167

	Share capital \$'000	Share option reserve \$'000	Revaluation reserve \$'000	Convertible bonds reserves \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total \$'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 year	-	-	(3,140)	-	1,027	1,611	(502)
Recognition of share-based payment	-	1,806	-	-	-	-	1,806
Dividends	-	-	-	-	-	(1,433)	(1,433)
Issuance of share capital	58,682	-	-	-	-	-	58,682
Share issuance cost	(16)	-	-	-	-	-	(16)
At 31 March 2013	151,325	3,096	(3,140)	22,520	(786)	3,000	176,015
At 1 April 2013							
Total comprehensive income for the year	-	-	20,392	-	1,588	3,564	25,544
Recognition of share-based payment	-	4,670	-	-	-	-	4,670
Dividends	-	-	-	-	-	(2,970)	(2,970)
At 31 March 2014	151,325	7,766	17,252	22,520	802	3,594	203,259

**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 shares that may be issued on conversion of all the outstanding convertibles bonds and employees shares options were 305,000,007 (31 March 2013: 305,000,007) and 73,300,000 (31 March 2013: 73,700,000) 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.**

	31/3/2014	31/3/2013
Total number of issues shares ('000)	594,132	594,132

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 2013.

**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 31/3/2014	Group 31/3/2013
Net profit attributable to shareholders of the Company (\$'000)	20,089	29,515
Weighted average number of shares in issue (in '000) for computation of Basic EPS	594,132	481,783
Earning per share (cents)- Basic	3.38	6.13
Weighted average number of shares in issue (in '000) for computation of Diluted EPS	972,432	804,847
Earning per share (cents) – Diluted	3.06	4.81

For the purpose of calculating diluted EPS, assumption was made that all the employee share options and convertible bonds issued will be converted to ordinary shares.

**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 31/3/2014	Group 31/3/2013	Company 31/3/2014	Company 31/3/2012
Net asset value (\$'000)	319,167	271,334	203,259	176,015
Net asset value per share (cents)	53.72	45.67	34.21	29.63

The net asset value per share is calculated based on the issued share capital of 594,132,000 (31 March 2013: 594,132,000).

**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 generated net profit for the year of \$21.0 million for the current year as compared to \$31.0 million in the last corresponding year ended 31 March 2013. The net profit for the group decreased due to the followings:

- a. Minimal contributions from the newly secured 2 engineering contracts totaling approximately \$170 million as the 2 projects were secured during the last quarter of the financial year ended 31 March 2014;
- b. Higher finance costs arising from the MTN bond of \$100 million and additional bank borrowings for the investment projects which resulted in increase of the financial cost of \$4.6 million as compared to the last corresponding year ended 31 March 2013. Going forward, finance costs arising from the convertible bond will be reduced after it was partly converted to ordinary shares on 11 April 2014. The reduction will be around \$4.5 million;
- c. Strengthening of the USD against RMB resulted in the foreign currency exchange loss of \$1.4 million as compared to gain of \$2.1 million in the last corresponding year ended 31 March 2013; and
- d. Share option expense increased from \$1.8 million to \$4.7 million, representing an increase of \$2.9 million as compared to the last corresponding year ended 31 March 2013.

The Group's revenue for the year was \$202.3 million, which was \$17.3 million or 9.3% higher than last corresponding year ended 31 March 2013 of \$185.0 million. The increase was mainly due to the increase in the treatment business from \$40.6 million to \$62.6 million, representing an increase of \$22.0 million or 54.3%.

Materials purchased, consumables used and subcontractors' fees decreased to \$106.8 million from \$110.1 million, representing a decrease of \$3.3 million as compared to the last corresponding year ended 31 March 2013. The decrease was consistent with the decrease in engineering revenue.

	<b>Group 2014 \$'000</b>	<b>Group 2013 \$'000</b>
Engineering		
Revenue	139,764	144,484
Material purchased, consumables Used and subcontractors' fees	(106,760)	(110,079)
Gross profit	<b>33,004</b>	<b>34,405</b>
GP margin (%)	23.6%	23.8%

Employee benefits expense increased to \$14.5 million from \$10.7 million, representing an increase of \$3.8 million or 34.9% as compared to the last corresponding year ended 31 March 2013. The increase was mainly due to the additional staff strength for the operation and maintenance of the new treatment plants acquired during the financial year.

Depreciation and amortisation expenses increased to \$6.2 million from \$2.0 million, representing an increase of \$4.2 million or 214.8% as compared to the last corresponding year ended 31 March 2013. The increase was mainly due to the amortisation of intangible assets relating to the newly acquired concessions.

Other operating expenses increased to \$33.8 million from \$19.3 million, representing an increase of \$14.5 million or 75.6% as compared to the last corresponding year ended 31 March 2013. The increase was mainly due to the operating expenses incurred for the operation and maintenance of the new treatment plants acquired during the financial year and the increase in share option expense from \$1.8 million to \$4.7 million.

Finance costs increased from \$13.0 million to \$17.6 million, representing an increase of \$4.6 million or 36.1% as compared to the last corresponding year ended 31 March 2013. The increase was mainly due to the additional finance costs arising from the newly issued bond and bank borrowings during the financial year.

Fair value change in Available-for sale investment of \$20.4 million gain pertained to fair value gain on the shares of Memstar Technology Ltd as at 31 March 2014.

Currency translation profit of \$4.7 million arose due to the strengthening of the RMB against S\$.

### **Statement of financial position**

The Group's current assets increased from \$222.3 million as at 31 March 2013 to \$309.8 million as at 31 March 2014. The increase was mainly due to the increase in cash and bank balance. Cash and bank balances increased from \$59.1 million to \$141.7 million as at 31 March 2014, this was mainly due to the net proceeds from the newly issued bond of \$97.3 million.

The Group's non-current assets increased from \$344.9 million as at 31 March 2013 to \$476.6 million as at 31 March 2014. The increase was mainly due to the additions of service concession receivables relating to the concessions arising from the acquisition of treatment plants and concessions during the year.

The Group's non-current liabilities increased from \$162.4 million as at 31 March 2013 to \$300.6 million as at 31 March 2014. The increase was mainly due to the increase in bond. During the financial year, the company issued bond of \$97.3 million.

### **Statement of cash flow**

The net cash from financing activities of the group increased from \$59.7 million to \$108.6 million as compared to the last corresponding year ended 31 March 2013. The increase was mainly due to the proceeds from the bank borrowing of \$45.6 million on the treatment plants and issuance of bond of \$97.3 million during the year.

**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 continue to actively seek suitable engineering and investment projects.

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.

During last quarter of FY2014, the Group secured total MBR projects in China worth RMB1.1 billion, including the largest project of RMB580 million. The Group believes 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.

Subsequent to the financial year ended 31 March 2014, the Company completed its acquisition of the business, assets and principal subsidiaries of Memstar Technology Ltd on 11 April 2014. The Company believes that it will secure upstream membrane manufactory capability and becomes vertically integrated water treatment solution provider. In addition, the acquisition also allows the Group to benefit from the growth of the membrane business from the Memstar group, arising from the strong membrane technology, research and development capabilities and capacities. This will in turn strengthen the Group's value proposition to attract and retain new clientele.

On 13 June 2013, the Company established a US\$300 million Medium Term Note (MTN) programme. Under the MTN programme, the Company may from time to time issue medium term notes. The proceeds from the issuance of notes will be used for refinancing of existing borrowings, making investments and/or acquisitions, general working capital and corporate purpose. As at current date, S\$100 million of the bond has been issued.

#### Use of proceeds

An update of the use of proceeds was summarised below:

	\$ million
Unutilised balance as at last quarterly announcement	157
Paid up capital for UE Qidong	(11)
Acquisition of assets, business and subsidiaries of Memstar Technology Ltd	(65)
Paid up capital for UE Fuzhou	(38)
Total utilised	(114)
Unutilised balance	43

## 11. Dividend

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

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

Name of Dividend	Final
Dividend Type	Final
Dividend Amount per Share (in cents)	0.3
Optional:- Dividend Rate (in %)	N/A
Par value of shares	N/A
Tax Rate	Tax exempt

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

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

Name of Dividend	Final
Dividend Type	Final
Dividend Amount per Share (in cents)	0.5
Optional:- Dividend Rate (in %)	N/A
Par value of shares	N/A
Tax Rate	Tax exempt

**(c) Date payable**

To be announced at a later date.

**(d) Books closure date**

Notice of books closure date for determining shareholders' entitlement of the proposed dividend will be announced at a later date.

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

Final dividends have been declared/recommended.

**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.**

**12 months ended 31 March 2014**

	<b>Engineering \$'000</b>	<b>Treatment \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>			
External sales	139,764	62,578	202,342
<b>Results</b>			
Segment result	23,720	24,847	48,567
Finance costs			(17,632)
Unallocated corporate expenses			(2,964)
Foreign currency exchange loss			(1,437)
Share of profit of associate			1,776
Share of profit of joint venture			2,125
Interest income			755
Profit before income tax			31,190
Income tax expense			(10,180)
Net profit for the year			21,010
<b>Other information</b>			
Segment assets	130,714	559,130	689,844
Unallocated corporate assets			96,644
Consolidated total assets			786,488
Segment liabilities	110,663	129,894	240,557
Unallocated corporate liabilities			226,764
Consolidated total liabilities			467,321
Addition to non-current assets	313	17,629	17,942
Depreciation and amortisation	179	6,055	6,234

**12 months ended 31 March 2013**

	<b>Engineering \$'000</b>	<b>Treatment \$'000</b>	<b>Total \$'000</b>
<b>Revenue</b>			
External sales	144,484	40,560	185,044
<b>Results</b>			
Segment result	31,044	17,399	48,443
Finance costs			(12,957)
Unallocated corporate expenses			(2,038)
Foreign currency exchange gain			2,120
Share of profit of associate			1,826
Share of profit of joint venture			974
Interest income			771
Profit before income tax			39,139
Income tax expense			(8,115)
Net profit for the year			31,024
<b>Other information</b>			
Segment assets	121,538	326,456	447,994
Unallocated corporate assets			119,124
Consolidated total assets			567,118
Segment liabilities	87,034	72,303	159,337
Unallocated corporate liabilities			136,447
Consolidated total liabilities			295,784
Addition to non-current assets	358	114,195	114,553
Depreciation and amortisation	291	1,689	1,980

Segment assets represent property, plant and equipment, service concession receivables, associates, joint venture, intangible assets, goodwill, inventories, trade and other receivables, restricted bank balances and bank balances and cash, which are attributable to each operating segments. Segment liabilities represent trade and other payables and bank borrowings, which are attributable to each operating segments.

Unallocated corporate assets mainly represent Group's Cash and bank balances and other financial assets.

Unallocated corporate liabilities represent Group's finance leases, bank loans, deferred tax liabilities, convertible bonds at corporate level.

Analysis By Geographical Segments (Secondary segment)

The geographical locations of the customers of the Group principally comprise the People's Republic of China ("PRC"), Singapore and Malaysia.



The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

**12 months ended 31 March 2014**

	<b>Revenue from external customers \$'000</b>	<b>Non-current assets \$'000</b>
PRC	186,617	398,078
Singapore	-	414
Malaysia	15,725	1,784
Total	202,342	400,276

**12 months ended 31 March 2013**

	<b>Revenue from external customers \$'000</b>	<b>Non-current assets \$'000</b>
PRC	170,418	290,706
Singapore	-	449
Malaysia	14,626	1,797
Total	185,004	292,952

Non-current assets information presented above mainly consist of prepaid lease, property, plant and equipment, service concession receivables, intangible assets, club memberships, goodwill and deferred tax assets.

**Information about major customers**

Revenue from major customers which accounts for 10% of more of the Group's revenue are as follows:

	<b>Group 2014 \$'000</b>	<b>Group 2013 \$'000</b>
Engineering		
- Customer 1	-	34,189
Treatment	-	-

**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.**

**Business segment analysis**

The engineering segment remained stable, contributing \$139.8 million of revenue and segment result of \$23.7 million for the current year as compared to the last corresponding year ended 31 March 2013 of \$144.5 million of revenue and segment results of \$31.0 million.

The segment revenue from the treatment business increased to \$62.6 million from the last corresponding year of \$40.6 million, representing an increase of \$22.0 million or 54.3%. The segment result increased from \$17.4 million to \$24.8 million, representing an increase of \$7.4 million or 42.8%. With the increase in the treatment capacity of the current plants and the additions to the treatment capacity arising from the newly acquired plants in the coming year, the Group expects the contribution from the treatment business to continue its uptrend going forward.

### Geographical segment analysis

PRC segment remained the major contributor for our Group's revenue due to the greater market and demand for our advanced membrane technology for the treatment and recycling of wastewater.

### 16. A breakdown of sales.

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000	% increase (decrease)
<b>Breakdown of sales</b>			
Sales reported for first half year	96,029	85,975	11.7
Operating profit after tax reported for first half year	13,445	14,253	(5.7)
Sales reported for second half year	106,313	99,069	7.3
Operating profit after tax reported for second half year	7,565	16,771	(54.9)

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

	Group 12 months ended 31/3/2014 \$'000	Group 12 months ended 31/3/2013 \$'000
<b>Total annual dividend</b>		
Final	2,970	1,433

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

**Not applicable**

**BY ORDER OF THE BOARD**

**Lotus Isabella Lim Mei Hua  
Company secretary  
30 May 2014**