



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 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.

The Group (\$'000)	3 months ended 30/9/2014	3 months ended 30/9/2013	% Increase/ (Decrease)	6 months ended 30/9/2014	6 months ended 30/9/2013	% Increase/ (Decrease)
Revenue	105,377	51,963	102.8	171,696	96,029	78.8
Other income	368	170	116.5	14,951	575	2,500.2
Changes in inventories	3,371	936	260.1	10,826	1,215	791.0
Material purchased, consumables used and subcontractors' fees	(60,183)	(28,895)	108.3	(101,046)	(53,905)	87.5
Employee benefits expense	(4,854)	(2,940)	65.1	(8,956)	(6,163)	45.3
Depreciation and amortisation expenses	(2,160)	(1,134)	90.5	(3,817)	(2,057)	85.6
Other operating expenses	(11,174)	(8,705)	28.4	(21,103)	(14,299)	47.6
Finance costs	(7,834)	(3,884)	101.7	(13,999)	(7,608)	84.0
Share of profit of associate	-	266	N/m	-	823	N/m
Share of profit of joint venture	365	1,158	(68.5)	716	1,828	(60.8)
Profit before income tax	23,276	8,935	160.5	49,268	16,438	199.7
Income tax expense	(5,256)	(1,577)	233.3	(8,500)	(2,993)	184.0
Net profit for the period	18,020	7,358	144.9	40,768	13,445	203.2

The Group (\$'000)	3 months ended 30/9/2014	3 months ended 30/9/2013	% Increase/ (Decrease)	6 months ended 30/9/2014	6 months ended 30/9/2013	% Increase/ (Decrease)
Statement of Comprehensive Income						
Profit attributable to:						
Owners of the Company	16,670	7,131	133.8	39,185	12,863	204.6
Non-controlling interests	1,350	227	494.7	1,583	582	171.9
Profit for the period	18,020	7,358	144.9	40,768	13,445	203.2
Fair value change in Available-for-sale investment	-	2,450	N/m	-	(2,192)	N/m
Currency translation gain (loss)	13,852	(1,213)	N/m	11,691	4,558	156.5
Total comprehensive income for the period	31,872	8,595	270.8	52,459	15,811	231.8
Total comprehensive income attributable to:						
Owners of the company	30,522	8,368	264.7	50,876	15,229	234.1
Non-controlling interests	1,350	227	494.7	1,583	582	171.9
Total comprehensive income for the period	31,872	8,595	270.8	52,459	15,811	231.8

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

The Group (\$'000)	3 months ended 30/9/2014	3 months ended 30/9/2013	% Increase/ (Decrease)	6 months ended 30/9/2014	6 months ended 30/9/2013	% Increase/ (Decrease)
Employee share option expense	1,291	1,300	(0.7)	2,582	2,600	(0.7)
Interest expense on bank borrowings	4,592	984	366.7	7,514	2,108	256.5
Interest expense on bond	1,812	300	504.0	3,625	300	1,108.3
Finance cost on convertible bonds	1,430	2,600	(45.0)	2,860	5,200	(45.0)
Interest income	(155)	(120)	29.2	(279)	(211)	32.2
Unrealised net foreign exchange loss (gain)	639	(50)	N/m	752	(267)	N/m
Gain on disposal of AFS	-	-	-	(14,181)	-	N/m
Gain on disposal of property, plant and equipment	(38)	-	N/m	(38)	-	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 30/9/2014 \$'000	Group 31/3/2014 \$'000	Company 30/9/2014 \$'000	Company 31/3/2014 \$'000
ASSETS				
Current assets:				
Cash and bank balances	119,795	141,672	19,625	75,799
Trade receivables	104,878	103,715	-	-
Service concession receivables	3,671	3,257	-	-
Other receivables and prepayments	78,444	60,701	450,887	145,454
Inventories	11,253	427	-	-
Prepaid lease	105	110	-	-
Total current assets	318,146	309,882	470,512	221,253
Non-current assets:				
Trade receivables	38,276	2,241	-	-
Service concession receivables	338,295	232,392	-	-
Prepaid lease	13,659	5,041	-	-
Subsidiaries	-	-	186,899	156,334
Associates	-	10,790	-	6,432
Joint venture	12,835	12,119	7,688	7,308
Available-for-sale investment	-	53,461	-	53,461
Property, plant and equipment	33,703	13,459	331	214
Goodwill	232,779	1,389	-	-
Intangible assets	204,861	145,139	200	200
Deferred tax assets	784	615	-	-
Total non-current assets	875,192	476,646	195,118	223,949
Total assets	1,193,338	786,528	665,630	445,202
LIABILITIES AND EQUITY				
Current liabilities:				
Bank loans	30,973	15,381	2,250	3,150
Trade payables	108,099	104,150	-	-
Other payables	26,194	33,015	4,794	15,179
Finance leases	89	55	54	38
Income tax payable	21,426	14,158	-	-
Total current liabilities	186,781	166,759	7,098	18,367
Non-current liabilities:				
Bank loans	156,740	69,205	-	-
Finance leases	167	25	74	-
Bond*	97,249	97,016	97,249	97,016
Convertible bonds**	67,747	126,560	67,747	126,560
Deferred tax liabilities	25,692	7,756	-	-
Total non-current liabilities	347,595	300,562	165,070	223,576

	Group 30/9/2014 \$'000	Group 31/3/2014 \$'000	Company 30/9/2014 \$'000	Company 31/3/2014 \$'000
Capital and reserves:				
Share capital	462,892	151,325	462,892	151,325
General reserve	4,410	4,410	-	-
Share option reserve	8,988	7,766	8,988	7,766
Fair value reserve	-	17,252	-	17,252
Convertible bonds reserve	12,408	22,520	12,408	22,520
Currency translation reserves	12,456	765	5,612	802
Accumulated profits	140,733	104,287	3,562	3,594
Total equity attributable to owners of the Company Total equity	641,887	308,325	493,462	203,259
Non-controlling interests	17,075	10,882	-	-
Total equity	658,962	319,207	493,462	203,259
Total liabilities and equity	1,193,338	786,528	665,630	445,202

* Bond - Medium Term Notes

** Convertible bonds - Convertible bonds issued to KKR

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 30/9/2014</u>		<u>As at 31/3/2014</u>	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
24,516	6,546	8,088	7,348

Amount repayable after one year

<u>As at 30/9/2014</u>		<u>As at 31/3/2014</u>	
Secured \$'000	Unsecured \$'000	Secured \$'000	Unsecured \$'000
94,765	62,142	42,467	26,763

Details of any collateral

1. The finance leases of \$256,000 (31 March 2014: \$80,000) is secured over the Group's motor vehicles.
2. The bank term loan of \$103,000 (31 March 2014: \$106,000) is secured over the freehold properties of its Malaysia subsidiary.
3. The long term bank loans of \$118,922,000 (31 March 2014: \$50,369,000) are secured over the concession receivables, the treatment plants, prepaid lease of its subsidiaries and all assets of Memstar Pte Ltd Group.

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.

The Group (\$'000)	3 months ended 30/9/2014	3 months ended 30/9/2013	6 months ended 30/9/2014	6 months ended 30/9/2013
Operating activities				
Profit before income tax	23,276	8,935	49,268	16,438
Adjustments for:				
Gain on disposal of available-for-sale investment	-	-	(14,181)	-
Gain on disposal of property, plant and equipment	(38)	-	(38)	-
Interest income	(155)	(120)	(279)	(211)
Interest expense	7,834	3,884	13,999	7,608
Share of profit of associate	-	(266)	-	(823)
Share of profit of joint venture	(365)	(1,158)	(716)	(1,828)
Depreciation and amortisation	2,160	1,134	3,817	2,057
Share option expense	1,291	1,300	2,582	2,600
Exchange difference arising on foreign currency translation	16,548	(1,866)	14,348	4,126
Operating profit before working capital changes	50,551	11,843	68,800	29,967
Trade receivables	(5,377)	20,870	(9,940)	14,661
Other receivables	(5,498)	8,729	2,017	4,056
Inventories	(3,371)	(936)	(10,826)	(1,215)
Trade payables	(28,255)	509	2,096	32,532
Other payables	875	(500)	(2,326)	(9,405)
Cash generated from operations	8,925	40,515	49,821	70,596
Interest received	155	120	279	211
Interest paid	(4,499)	(1,284)	(8,293)	(2,408)
Income tax paid	(901)	(1,027)	(1,385)	(4,082)
Net cash from operating activities	3,680	38,324	40,422	64,317
Investing activities				
Net cash outflow on acquisition of subsidiary	-	-	(46,018)	-
Proceeds from disposal of property, plant and equipment	38	-	38	-
Proceeds from disposal of available –for-sale investment	-	-	6,159	-
Additions to property, plant and equipment	(2,159)	(1,151)	(4,300)	(1,969)
Additions to service concession receivables	(20,980)	(20,825)	(42,658)	(23,324)
Additions to intangible assets	(12,494)	(10,422)	(25,753)	(48,067)
Net cash used in investing activities	(35,595)	(32,398)	(112,532)	(73,360)

The Group (\$'000)	3 months ended 30/9/2014	3 months ended 30/9/2013	6 months ended 30/9/2014	6 months ended 30/9/2013
Financing activities				
Dividend paid	(2,739)	(2,970)	(2,739)	(2,970)
Proceeds from issuing bond	-	48,393	-	48,393
Proceeds from issuing shares	-	-	2,090	-
Repayment of obligations under finance leases	(80)	(19)	(89)	(37)
New bank loans raised	10,806	-	65,806	-
Repayment of bank borrowings	(8,084)	(7,734)	(14,916)	(14,679)
Net cash from financing activities	(97)	37,670	50,152	30,707
Net (decrease) increase in cash and cash equivalents	(32,012)	43,596	(21,958)	21,664
Cash and cash equivalents at beginning of period	151,687	38,835	141,672	59,068
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	120	(197)	81	1,502
Cash and cash equivalents at end of period	119,795	82,234	119,795	82,234

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	Fair value 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
Group										
At 1 April 2014	151,325	4,410	7,766	17,252	22,520	765	104,287	308,325	10,882	319,207
Total comprehensive income for the year	-	-	-	(17,252)	-	(2,161)	22,515	3,102	233	3,335
Acquisition of subsidiary	236,375	-	-	-	-	-	-	236,375	-	236,375
Recognition of share-based payment	-	-	1,291	-	-	-	-	1,291	-	1,291
Issuance of shares on conversion of convertible bonds	71,742	-	-	-	(10,112)	-	-	61,630	-	61,630
Issuance of shares on exercise of the ESOS	3,450	-	(1,360)	-	-	-	-	2,090	-	2,090
At 30 June 2014	462,892	4,410	7,697	-	12,408	(1,396)	126,802	612,813	11,115	623,928
Total comprehensive income for the year	-	-	-	-	-	13,852	16,670	30,522	1,350	31,872
Recognition of share-based payment	-	-	1,291	-	-	-	-	1,291	-	1,291
Dividend paid	-	-	-	-	-	-	(2,739)	(2,739)	-	(2,739)
Incorporation of subsidiary	-	-	-	-	-	-	-	-	4,610	4,610
At 30 September 2014	462,892	4,410	8,988	-	12,408	12,456	140,733	641,887	17,075	658,962
At 1 April 2013	151,325	3,683	3,096	(3,140)	22,520	(3,966)	87,895	261,413	9,921	271,334
Total comprehensive income for the year	-	-	-	-	-	5,771	5,732	11,503	355	11,858
Recognition of share-based payment	-	-	1,300	-	-	-	-	1,300	-	1,300
Revaluation of investment	-	-	-	(4,642)	-	-	-	(4,642)	-	(4,642)
At 30 June 2013	151,325	3,683	4,396	(7,782)	22,520	1,805	93,627	269,574	10,276	279,850
Total comprehensive income for the period	-	-	-	-	-	(1,213)	7,131	5,918	227	6,145
Recognition of share-based payment	-	-	1,300	-	-	-	-	1,300	-	1,300
Revaluation of investment	-	-	-	2,450	-	-	-	2,450	-	2,450
Dividend paid	-	-	-	-	-	-	(2,970)	(2,970)	-	(2,970)
At 30 September 2013	151,325	3,683	5,696	(5,332)	22,520	592	97,788	276,272	10,503	286,775

	Share capital \$'000	Share option reserve \$'000	Fair value reserve \$'000	Convertible bonds reserves \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total \$'000
Company							
At 1 April 2014	151,325	7,766	17,252	22,520	802	3,594	203,259
Total comprehensive income for the year	-	-	(17,252)	-	(1,822)	8,744	(10,330)
Recognition of share-based payment	-	1,291	-	-	-	-	1,291
Acquisition of subsidiaries	236,375	-	-	-	-	-	236,375
Issuance of shares on conversion of convertible bonds	71,742	-	-	(10,112)	-	-	61,630
Issuance of shares on exercise of ESOS	3,450	(1,360)	-	-	-	-	2,090
At 30 June 2014	462,892	7,697	-	12,408	(1,020)	12,338	494,315
Total comprehensive income for the year	-	-	-	-	6,632	(6,037)	595
Recognition of share-based payment	-	1,291	-	-	-	-	1,291
Dividend paid	-	-	-	-	-	(2,739)	(2,739)
At 30 September 2014	462,892	8,988	-	12,408	5,612	3,562	493,462
At 1 April 2013	151,325	3,096	(3,140)	22,520	(786)	3,000	176,015
Total comprehensive income for the year	-	-	-	-	4,395	(4,240)	155
Recognition of share-based payment	-	1,300	-	-	-	-	1,300
Revaluation of investment	-	-	(4,642)	-	-	-	(4,642)
At 30 June 2013	151,325	4,396	(7,782)	22,520	3,609	(1,240)	172,828

	Share capital \$'000	Share option reserve \$'000	Fair value reserve \$'000	Convertible bonds reserves \$'000	Currency translation reserve \$'000	Accumulated profits \$'000	Total \$'000
Company							
At 30 June 2013	151,325	4,396	(7,782)	22,520	3,609	(1,240)	172,828
Total comprehensive income for the period	-	-	-	-	(51)	(5,551)	(5,602)
Recognition of share-based payment	-	1,300	-	-	-	-	1,300
Revaluation of investment	-	-	2,450	-	-	-	2,450
Dividend paid	-	-	-	-	-	(2,970)	(2,970)
At 30 September 2013	151,325	5,696	(5,332)	22,520	3,558	(9,761)	168,006

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.

There is no change in the company's share capital during the current financial period.

The total number of shares that may be issued on conversion of all the outstanding convertibles bonds and employee shares options were 168,044,819 (30 September 2013: 305,000,007) and 70,950,000 (30 September 2014: 73,300,000) 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.

	30/9/2014	31/3/2014
Total number of issued shares ('000)	913,243	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 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.

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 30/9/2014	Group 3 months ended 30/9/2013	Group 6 months ended 30/9/2014	Group 6 months ended 30/9/2013
Net profit attributable to shareholders of the Company(\$'000)	16,670	7,131	39,185	12,863
Weighted average number of shares in issue (in '000) for computation of Basic EPS	913,243	594,132	891,260	594,132
Earnings per share (cents)- Basic	1.83	1.20	4.40	2.17
Weighted average number of shares in issue (in '000) for computation of Diluted EPS	1,152,238	972,432	1,130,255	972,432
Earnings per share (cents) – Diluted	1.57	1.00	3.72	1.86

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 30/9/2014	Group 31/3/2014	Company 30/9/2014	Company 31/3/2014
Net asset value (\$'000)	658,962	319,207	493,462	203,259
Net asset value per share (cents)	72.16	53.73	54.03	34.21

The net asset value per share is calculated based on the issued share capital of 913,242,738 (31 March 2014: 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.**

The Group completed the acquisition of the business, assets and principal subsidiaries of Memstar Technology Ltd on 11 April 2014 (the "Acquisition"). The financial statements for the current quarter ended 30 September 2014 and half year ended 30 September 2014 reflected the inclusion of the business and assets of the *Acquisition*.

Statement of comprehensive income

The Group's revenue for the current period was \$105.4 million, which was \$53.4 million or 102.8% higher than last corresponding period ended 30 September 2013 of \$52.0 million. The increase was mainly due to the increase in:

1. the treatment business from \$15.5 million to \$25.3 million, representing an increase of \$9.8 million or 63.2%;
2. the engineering business \$36.5 million to \$74.7 million, representing an increase of \$38.2 million or 104.7%; and
3. the addition of \$5.4 million of membrane sale to outside customers arising from the *Acquisition* in current period.

Materials purchased, consumables used and subcontractors' fees increased to \$60.2 million from \$28.9 million, representing an increase of \$31.3 million as compared to the last corresponding period ended 30 September 2013. The increase was consistent with the increase in engineering revenue and the membrane sales.

Depreciation and amortisation expenses increased to \$2.2 million from \$1.1 million, representing an increase of \$1.1 million or 90.5% as compared to the last corresponding period ended 30 September 2013. The increase was mainly due to the amortisation of intangible assets relating to the newly acquired concessions and the depreciation on the property, plant and equipment of the membrane manufacturing facilities.

Other operating expenses increased to \$11.2 million from \$8.7 million, representing an increase of \$2.5 million or 28.4% as compared to the last corresponding period ended 30 September 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 operating cost of Memstar.

Finance costs increased from \$3.9 million to \$7.8 million, representing an increase of \$3.9 million or 101.7% as compared to the last corresponding period ended 30 September 2013. The increase was mainly due to the additional finance costs arising from the newly issued \$100 million MTN bond and bank borrowings during the period.

The Group generated a net profit after tax of \$18.0 million as compared to \$7.4 million for the last corresponding period ended 30 September 2013, representing an increase of \$10.6 million or 144.9%.

Currency translation gain of \$13.9 million arose due to the strengthening of the RMB against S\$.

Statement of financial position

The Group's non-current assets increased from \$476.6 million as at 31 March 2014 to \$875.2 million as at 30 September 2014. The increase was mainly due to the additions of service concession receivables and goodwill on consolidation arising from the *Acquisition*.

The Group's non-current liabilities increased from \$300.6 million as at 31 March 2014 to \$347.6 million as at 30 September 2014. The increase was mainly due to the new loans of \$55 million to finance the *Acquisition* and the addition of bank loan from the *Acquisition*.

The Group's total equity increased from \$319.2 million as at 31 March 2014 to \$659.0 million as at 30 September 2014. The increase was mainly due to:

1. the issuance of new shares to Memstar Technology Ltd for the *Acquisition*;
2. the issuance of new shares to KKR China Water Investment Holdings Limited pursuant to the conversion of USD51.1 million of the convertible bonds; and
3. the issuance of new share pursuant to the conversion of the Employee Share Option Scheme

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.

The Group continues to harness its strength as a fully-integrated water solutions provider, focusing on acquiring new water assets and engineering projects. Meanwhile, the Group's membrane manufacturing arm, Memstar, is seeing stronger demand for membrane in countries such as China and US. With increasingly stringent water discharge standards, membrane application in wastewater treatment is becoming more prevalent.

In addition, the Group is actively seeking for strategic partners to form joint venture companies to secure more projects in future. While the new JV will benefit from a constant source of engineering projects, there would also be a strong demand for the supply of membranes to these projects, boosting membrane sales for the Group.

With stronger government policy support in the water treatment sector and greater need for membrane based-water treatment solutions for the treatment and recycling of wastewater in China, the Group expects to benefit from these opportunities to further strengthen its business performance.

Update of the use of proceeds

There is no change in the use of the proceeds from the last quarterly announcement.

	\$ million
Unutilised balance as at last quarterly announcement	43
Unutilised balance as at date of announcement	43

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.

No 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.

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 2014 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

Dr Lin Yucheng
Director

Dr Chong Weng Chiew
Director

BY ORDER OF THE BOARD

Lotus Isabella Lim Mei Hua
Company secretary
11 November 2014