

**Unaudited Financial Statements For Full Year Ended 31 December 2015**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS**

- 1(a)(i) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015**

(RMB'000)	Full year ended		% change
	31 December 2015 (Unaudited)	31 December 2014 (Audited) (Reclassified – Note A)	
<b>Revenue</b>	1,435,338	1,235,162	16.2
Cost of sales	(1,115,116)	(964,713)	15.6
<b>Gross profit</b>	320,222	270,449	18.4
Other operating income ( <b>Note B</b> )	14,777	17,857	(17.3)
Selling and distribution expenses	(39,090)	(39,542)	(1.1)
Administrative expenses	(151,736)	(134,508)	12.8
Other operating expenses	(21,547)	(14,958)	44.1
Finance costs	(23,939)	(27,281)	(12.3)
<b>Profit before income tax</b>	98,687	72,017	37.0
Income tax expense	(18,501)	(15,754)	17.4
<b>Profit for the year</b>	80,186	56,263	42.5
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of foreign operation	123	(12)	n.m.
<b>Total comprehensive income for the year</b>	80,309	56,251	42.8
Profit for the year attributable to:			
Equity holders of the Company	81,495	56,084	45.3
Non-controlling interest	(1,309)	179	n.m.
<b>Profit for the year</b>	80,186	56,263	42.5
Total comprehensive income for the year attributable to:			
Equity holders of the Company	81,618	56,072	45.6
Non-controlling interest	(1,309)	179	n.m.
<b>Profit for the year</b>	80,309	56,251	42.8

**1(a)(ii) Other information:**

(RMB'000)	Full year ended		% change
	31 December 2015	31 December 2014	
Depreciation expense	27,792	26,102	6.5
Amortisation of land use rights	1,412	1,412	-
Amortisation of intangible assets	981	2,574	(61.9)
Impairment allowance on trade and non-trade receivables <b>(Note A)</b>	19,188	14,699	30.5
(Reversal of) impairment allowance on trade and non-trade receivables <b>(Note A)</b>	(4,969)	(11,347)	(56.2)
Impairment/(Reversal of) allowance on inventories	5,307	(2,531)	(309.7)
Impairment allowance on property, plant and equipment	1,794	-	n.m.
Loss/(Gain) on disposal of property, plant and equipment	161	(6)	n.m.
Interest expense	23,939	27,281	(12.3)

**Note A:**

In 2015, the Group classifies reversal of allowances for doubtful receivables no longer required as Other Operating Income and allowance for doubtful receivables as Other Operating Expenses.

However, in 2014, the Group presents the net allowance as Other Operating Expenses to facilitate comparability with the presentation in 2015, gross amounts of allowances reversed and allowances made are presented for 2014.

**Note B:**

Other operating income comprises:

(RMB'000)	Full year ended		% change
	31 December 2015	31 December 2014	
Government grant	2,444	4,080	(40.1)
Interest income	2,246	1,584	41.8
Net foreign exchange gain	3,973	-	n.m.
Government rebates	-	6	n.m.
Gain on disposal of plant and equipment	4	-	n.m.
Reversal of impairment allowance for trade receivables	4,969	11,347	(56.2)
Others	1,141	840	35.8
<b>Total</b>	<b>14,777</b>	<b>17,857</b>	<b>(17.3)</b>

n.m. – not meaningful

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement at the end of the immediately preceding financial year.**

**STATEMENT OF FINANCIAL POSITION**

(RMB'000)	Group		Company	
	(Unaudited) As at 31 December 2015	(Audited) As at 31 December 2014	(Unaudited) As at 31 December 2015	(Audited) As at 31 December 2014
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	397,527	110,486	122,105	5,262
Pledged bank deposits	65,066	72,616	-	-
Trade receivables	1,261,959	1,035,494	-	-
Other receivables, deposits and prepayments	94,317	64,871	10,263	8,989
Inventories	234,823	265,325	-	-
Land use rights	1,412	1,411	-	-
Total current assets	<u>2,055,104</u>	<u>1,550,203</u>	<u>132,368</u>	<u>14,251</u>
<b>Non-current assets:</b>				
Land use rights	146,297	47,599	-	-
Property, plant and equipment	307,013	282,672	-	-
Investment in subsidiaries	-	-	214,304	112,084
Intangible assets	2,534	8,700	-	-
Goodwill	5,483	-	30,000	40,000
Deferred tax assets	12,073	11,065	-	-
Total non-current assets	<u>473,400</u>	<u>350,036</u>	<u>244,304</u>	<u>152,084</u>
<b>Total assets</b>	<b><u>2,528,504</u></b>	<b><u>1,900,239</u></b>	<b><u>376,672</u></b>	<b><u>166,335</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Trade payables	871,721	652,233	-	-
Other payables	183,860	126,038	32,821	28,727
Borrowings	438,000	410,994	-	-
Income tax payable	18,094	12,608	-	-
Total current liabilities	<u>1,511,675</u>	<u>1,201,873</u>	<u>32,821</u>	<u>28,727</u>
<b>Non-current liabilities:</b>				
Deferred tax liabilities	8,071	2,824	-	-
Borrowings	16,000	-	-	-
Total non-current liabilities	<u>24,071</u>	<u>2,824</u>	<u>-</u>	<u>-</u>
<b>Capital and reserves :</b>				
Share capital	53,531	31,281	53,531	31,281
Share premium	266,938	75,379	266,938	75,379
General reserve	56,466	51,642	-	-
Share option reserve	4,897	-	4,897	-
Foreign currency translation reserve	111	(12)	-	-
Accumulated profits	590,126	515,254	18,485	30,948
<b>Equity attributable to equity holders of the Company</b>	<b>972,069</b>	<b>673,544</b>	<b>343,851</b>	<b>137,608</b>
Non-controlling interest	20,689	21,998	-	-
Total equity	<u>992,758</u>	<u>695,542</u>	<u>343,851</u>	<u>137,608</u>
<b>Total liabilities and equity</b>	<b><u>2,528,504</u></b>	<b><u>1,900,239</u></b>	<b><u>376,672</u></b>	<b><u>166,335</u></b>

**(b)(ii) Aggregate amount of group borrowings and debt securities**

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

(RMB'000)	As at 31 December 2015		As at 31 December 2014	
	Secured	Unsecured	Secured	Unsecured
Borrowings	90,000	348,000	120,892	290,102

**Amount repayable after one year**

(RMB'000)	As at 31 December 2015		As at 31 December 2014	
	Secured	Unsecured	Secured	Unsecured
Borrowings	-	16,000	-	-

**Details of any collaterals:**

<u>Collaterals</u>	FY2015	FY2014
	(RMB' 000)	(RMB' 000)
Bank deposit	50,000	-
Bills payables	-	15,892
Land-use rights and buildings of subsidiaries	40,000	105,000

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.

**STATEMENT OF CASH FLOWS FOR THE FULL YEAR ENDED 31 DECEMBER 2015**

RMB'000	Full year ended	
	31 December 2015 (Unaudited)	31 December 2014 (Audited)
<b>Operating activities</b>		
Profit before income tax	98,687	72,017
Adjustments for:		
Depreciation expense	27,792	26,102
Interest expense	23,939	27,281
Amortisation of land use rights	1,412	1,412
Exchange differences arising on foreign currency translation	(1,782)	144
Amortisation of intangible assets	981	2,574
Loss/(Gain) on disposal of property, plant and equipment	161	(6)
Share option expense	4,897	-
Impairment/(Reversal of) allowance on inventories	5,307	(2,531)
Interest income	(2,248)	(1,584)
Impairment allowance on trade and non-trade receivables-net	14,219	3,352
Impairment allowance on property, plant and equipment	1,794	-
Operating cash flows before movements in working capital	175,159	128,761
Trade receivables	(239,937)	123,803
Other receivables and prepayments	(9,958)	16,359
Inventories	25,195	(10,537)
Trade payables	219,418	(159,924)
Other payables	(26,922)	(26,618)
Cash generated from operations	142,955	71,844
Income tax paid	(13,615)	(18,912)
Interest received	2,248	1,584
Interest paid	(23,939)	(27,281)
Net cash from operating activities	107,649	27,235
<b>Investing activities</b>		
Purchase of property, plant and equipment	(14,092)	(43,931)
Payment for land use rights	(14,286)	(8,098)
Proceeds from disposal of property, plant and equipment	286	394
Acquisition of subsidiaries	(56,308)	-
Net cash used in investing activities	(84,400)	(51,635)
<b>Financing activities</b>		
Proceeds from new borrowings	449,000	617,895
Proceeds of share issuance	213,809	44,155
Pledged bank deposits	7,550	1,761
Payment of dividends	(1,799)	(1,643)
Repayment of borrowings	(405,994)	(646,021)
Net cash from financing activities	262,566	16,147
Net increase/(decrease) in cash and cash equivalents	285,815	(8,253)
Cash and cash equivalents at beginning of year	110,486	118,798
Effects of foreign exchange rate changes	1,226	(59)
<b>Cash and cash equivalents at end of year</b>	<b>397,527</b>	<b>110,486</b>

**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.**

<b>Group</b>	<b>Share capital</b>	<b>Share premium</b>	<b>General reserve</b>	<b>Share option reserve</b>	<b>Foreign currency translation reserve</b>	<b>Accumulated profits</b>	<b>Equity attributable to equity holders of the Company</b>	<b>Non-controlling interests</b>	<b>Total</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Balance at 1 January 2014</b>	<b>27,230</b>	<b>35,275</b>	<b>46,567</b>	-	-	<b>465,888</b>	<b>574,960</b>	<b>21,819</b>	<b>596,779</b>
<u>Total Comprehensive income for the year</u>									
Profit for the year	-	-	-	-	-	56,084	56,084	179	56,263
Other comprehensive income for the year	-	-	-	-	(12)	-	(12)	-	(12)
Total	-	-	-	-	(12)	56,084	56,072	179	56,251
<u>Transactions with owners recognized directly in equity</u>									
Ordinary shares issued	4,051	40,104	-	-	-	-	44,155	-	44,155
Dividends paid	-	-	-	-	-	(1,643)	(1,643)	-	(1,643)
Transfer to general reserve	-	-	5,075	-	-	(5,075)	-	-	-
Total	4,051	40,104	5,075	-	-	(6,718)	42,512	-	42,512
<b>Balance at 31 December 2014</b>	<b>31,281</b>	<b>75,379</b>	<b>51,642</b>	-	<b>(12)</b>	<b>515,254</b>	<b>673,544</b>	<b>21,998</b>	<b>695,542</b>
<u>Total Comprehensive income for the year</u>									
Profit for the year	-	-	-	-	-	81,495	81,495	(1,309)	80,186
Other comprehensive income for the year	-	-	-	-	123	-	123	-	123
Total	-	-	-	-	123	81,495	81,618	(1,309)	80,309
<u>Transactions with owners recognized directly in equity</u>									
Ordinary shares issued	22,250	191,559	-	-	-	-	213,809	-	213,809
Dividends paid	-	-	-	-	-	(1,799)	(1,799)	-	(1,799)
Transfer to general reserve	-	-	4,824	-	-	(4,824)	-	-	-
Employee share option expenses	-	-	-	4,897	-	-	4,897	-	4,897
Total	22,250	191,559	4,824	4,897	-	(6,623)	216,907	-	216,907
<b>Balance at 31 December 2015</b>	<b>53,531</b>	<b>266,938</b>	<b>56,466</b>	<b>4,897</b>	<b>111</b>	<b>590,126</b>	<b>972,069</b>	<b>20,689</b>	<b>992,758</b>

<u>Company</u>	<u>Share capital</u>	<u>Share premium</u>	<u>Share option reserve</u>	<u>Accumulated profits</u>	<u>Equity attributable to equity holders of the Company</u>	<u>Total</u>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'00</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<b>Balance at 1 January 2014</b>	<b>27,230</b>	<b>35,275</b>	-	<b>36,700</b>	<b>99,205</b>	<b>99,205</b>
Loss for the year, representing total comprehensive loss for the year	-	-	-	(4,109)	(4,109)	(4,109)
<u>Transactions with owners, recognized directly in equity</u>						
Ordinary shares issued	4,051	40,104	-	-	44,155	44,155
Dividends paid	-	-	-	(1,643)	(1,643)	(1,643)
Total	<u>4,051</u>	<u>40,104</u>	<u>-</u>	<u>(1,643)</u>	<u>42,512</u>	<u>42,512</u>
<b>Balance at 31 December 2014</b>	<b><u>31,281</u></b>	<b><u>75,379</u></b>	<b><u>-</u></b>	<b><u>30,948</u></b>	<b><u>137,608</u></b>	<b><u>137,608</u></b>
Loss for the year, representing total comprehensive loss for the year				(10,664)	(10,664)	(10,664)
<u>Transactions with owners, recognized directly in equity</u>						
Ordinary shares issued	22,250	191,559	-	-	213,809	213,809
Employee share option expenses	-	-	4,897	-	4,897	4,897
Dividends paid	-	-	-	(1,799)	(1,799)	(1,799)
Total	<u>22,250</u>	<u>191,559</u>	<u>4,897</u>	<u>(1,799)</u>	<u>216,907</u>	<u>216,907</u>
<b>Balance at 31 December 2015</b>	<b><u>53,531</u></b>	<b><u>266,938</u></b>	<b><u>4,897</u></b>	<b><u>18,485</u></b>	<b><u>343,851</u></b>	<b><u>343,851</u></b>

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

There was a change in share capital during the financial year ended 31 December 2015.

On 19 May 2015, the Group granted a total of 59,220,000 share options at an exercise price of S\$0.116. The options will vest at the end of two years from 19 May 2015 and exercisable eight years from date of vesting. The total number of share options granted constitutes approximately 8% of the Company's issued share capital of 737,657,142 shares as at 31 December 2015.

On 30 December 2015, the Group completed the placement of an aggregate of 342,857,142 new ordinary shares at an offer price of S\$0.14. The total number of placement shares issued represented approximately 46% of the Company's issued share capital of 737,657,142 shares as at 31 December 2015.

There were no outstanding convertibles or treasury shares held as at 31 December 2015 and 31 December 2014.

**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.**

The Company's total issued shares as at 31 December 2015 and 31 December 2014 is 737,657,142 and 394,800,000 ordinary shares respectively.

There were no shares held as treasury shares as at 31 December 2015 and 31 December 2014.

**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.**

Not applicable.

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

The figures have neither been reviewed nor audited.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 Group has adopted all the new and revised Singapore Financial Reporting Standards (“FRSs”) and Interpretations of FRS (“INT FRSs”) that are relevant to its operations and effective for annual periods beginning on or after January 1, 2015. The adoption of the new/revised FRSs, INT FRSs and amendments to FRSs has no material effect on the financial statements.

**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.**

Not applicable.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**

**(a) Based on the weighted average number of ordinary shares on issue; and**

	<b>Full year ended</b>	
	<b>31 December 2015</b>	<b>31 December 2014</b>
Net profit attributable to equity holders of the Group (RMB'000)	81,495	56,084
Weighted average number of ordinary shares outstanding ('000)	396,679	371,184
Earnings per share – basic (RMB cent)	<u>20.54</u>	<u>15.11</u>

Basic earnings per share for the full year ended 31 December 2015 and 31 December 2014 have been calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of ordinary shares outstanding.

**(b) On a fully diluted basis (detailing any adjustments made to the earnings)**

	<b>Full year ended</b>	
	<b>31 December 2015</b>	<b>31 December 2014</b>
Net profit attributable to equity holders of the Group (RMB'000)	81,495	56,084
Weighted average number of ordinary shares outstanding ('000)	420,524	371,184
Earnings per share – diluted (RMB cent)	<u>19.38</u>	<u>15.11</u>

Diluted earnings per share for FY2015 has been calculated assuming the share options granted have been exercised during FY2015.

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.**

	<u>Group</u>		<u>Company</u>	
	<b>31 December 2015</b>	<b>31 December 2014</b>	<b>31 December 2015</b>	<b>31 December 2014</b>
Net asset value per share (RMB cents)	131.78	170.60	46.61	34.86

The net asset value per share for 31 December 2015 and 31 December 2014 has been computed based on shareholders' equity as at these dates and the issued share capital of 737,657,142 and 394,800,000 ordinary shares as at 31 December 2015 and 31 December 2014 respectively.

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**

**Review of the Group's Performance for the year ended 31 December 2015 ("FY2015") compared to that of the year ended 31 December 2014 ("FY2014")**

Revenue

The Group's revenue increased by RMB 200.2 million or 16.2% from RMB1,235.2 million in FY2014 to RMB 1,435.3 million in FY2015. The increase was attributed by an increase of RMB 214.0 million from EPC Integrated Solutions segment which was offset by a decrease of RMB 13.8 million from Environmental Equipment Manufacturing segment.

Gross Profit

The Group's gross profit increased by RMB 49.8 million or 18.4% from RMB 270.4 million in FY2014 to RMB 320.2 million in FY2015. Gross profit margin of 22.3% for FY2015 is fairly consistent compared to 21.9% for FY2014.

Profit Before Income Tax

Profit before tax increased by RMB 26.7 million or 37.0% from RMB 72.0 million in FY2014 to RMB 98.7 million in FY2015. The increase was mainly contributed by the following factors:

- (a) Increase in the gross profit of RMB 49.8 million; and  
 (b) Reduction in finance costs of RMB 3.3 million due to lower interest rates.

The above were offset mainly by:

- (a) Increase in administrative expenses of RMB 17.2 million in FY2015 primarily due to increased staff remuneration as a result of additional personnel recruited to fulfill the Group's business growth plans

- (b) Increase in other operating expenses of RMB 6.6 million in FY2015 mainly due to higher impairment allowance made on trade and non-trade receivables of RMB 4.5 million and impairment allowance on property, plant and equipment of RMB 1.8 million.

#### Income Tax Expense

The effective income tax rate of 18.7% for FY2015 is lower than the 21.9% for FY2014 due to concessionary rates enjoyed by the Group's subsidiaries.

#### Profit for the Year

As a result of the above, the Group's net profit attributable to shareholders increased by RMB 25.4 million or 45.3% from RMB 56.1 million in FY2014 to RMB 81.5 million in FY2015.

- (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 the Group's Financial Position

The Group's total current assets increased by RMB 504.9 million or 32.6% from RMB 1,550.2 million as at 31 December 2014 to RMB 2,055.1 million as at 31 December 2015. The increase was mainly due to:

- (a) Increase in cash and cash equivalents of approximately RMB 287.0 million mainly due to the placement share issuance of RMB 213.8 million in December 2015;
- (b) Increase in trade receivables of RMB 226.5 million arising mainly from higher revenue achieved in FY2015. This was primarily due to the EPC contracts awarded. For trade receivables as at 31 December 2014 and 31 December 2015, approximately 57.8% and 7.3% respectively of the balances due were collected by 31 January 2016. Most of the trade receivables are due from customers that are state-owned enterprises, listed companies or multinational corporations. Overall, the Group's customers are credit-worthy but payments remain slow due to tightening credit in China; and
- (c) Increase in other receivables, deposits and prepayments of RMB 29.5 million mainly as a result of deposits placed with the government for purchase of land use rights and government rebates aggregating to RMB 19.0 million received during FY2015.

The above were offset by the following:

- (a) Decrease in pledged bank deposits of RMB 7.6 million as less collaterals were required due to lesser letter of credits;
- (b) Decrease in inventories of RMB 30.5 million due to impairment allowance on inventories and decreased raw materials and work in progress of RMB 36.4 million to fulfil the orders on hand, offset by the increase in finished goods of RMB 5.9 million.

The Group's total current liabilities increased by RMB 309.8 million or 25.8% from RMB 1,201.9 million as at 31 December 2014 to RMB 1,511.7 million as at 31 December 2015. The increase was mainly due to the following:

- (a) Increase in trade payables of RMB 219.5 million largely due to increase in trade payables to outside parties in relation to the advances paid for EPC contracts awarded;
- (b) Increase in other payables of RMB 57.9 million largely due to an increase in accruals of RMB 56.3 million; and
- (c) Increase in borrowings of approximately RMB 27.0 million to finance the business operations.

### **Review of the Group's Cash Flow Statement**

Net cash generated from operating activities amounted to approximately RMB 107.6 million for FY2015, primarily due to operating cash flows before movements in working capital of approximately RMB 175.2 million that were derived from:

- (a) Higher working capital requirements arising from increase in trade receivables, other receivables and a decrease in other payables of RMB 276.8 million in aggregate;
- (b) Lower working capital requirements arising from decrease in inventories and increase in trade payables of RMB 244.6 million in aggregate; and
- (c) Payment for interest and income tax of RMB 37.6 million.

Net cash used in investing activities amounted to RMB 84.4 million mainly due to acquisition of subsidiaries and the purchase of property, plant and equipment.

Net cash generated from financing activities amounted to RMB 262.6 million largely due to proceeds from bank loans and placement share issuance aggregating to RMB 662.8 million which were offset by the repayment of bank loans of RMB 406.0 million.

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

There is no variance between the actual results and the forecast, or prospect statement 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.**

In FY2015, the Group achieved a 16.2% and 45.3% growth in revenue and net profit attributable to shareholders respectively at the back of slow economy across the world. On the other hand, PRC is in the midst of economic reforms and restructuring with the lowest growth rate of 6.9%, for the past 25 years. Meanwhile, the competition in the petrochemical, chemical and steel industries is becoming more intense which poses challenges to the Group's business.

Several major policies were issued by the PRC Government to shut down or regulate the uncompetitive and hazardous coal-fired boilers are aimed to reduce carbon emissions and improve air quality as well as accelerate the use of centralised steam system in PRC. As such, the replacement of highly polluted and hazardous coal-fired boilers with low carbon emission centralised steam is a current growing trend. Looking ahead, there will be plenty of opportunities and vast potential in the centralised steam industry that could boost the Group's business.

Recently, the Group has successfully secured several major contracts for Build-Operate-Transfer ("BOT"), Build-Owned-Operate ("BOO") and/or Transfer-Operate-Transfer ("TOT") projects to build centralised steam facilities in Changrun, Lianshui and Quanjiao. The Group intends to generate recurring income with long-term concessions that will provide stable and recurring cash flows and EPC income from these environmental projects which will enhance the quality of the Group's earnings and shareholders' value.

To tap on the rapidly growing demand of the environmental protection industry and favourable government policies, the Group will continue to strengthen its expansion in the environmental protection industry and increase investment in centralized steam to achieve smog governance.. Moving forward, the Group will seize the huge opportunities in the industries by focusing on the three major business segments, namely environmental equipment manufacturing, EPC integrated solutions and green investments (centralised steam and cogeneration) to enhance the Group's competitiveness and profit sustainability.

The total orders on hand amounted to approximately RMB 1.10 billion as at 31 December 2015. Barring any unforeseen circumstances, the Directors expect the Group to remain profitable for FY2016.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended)**

A first and final ordinary dividend has been recommended.

**(b) (i) Amount per share in cents  
(ii) Previous corresponding period in cents**

	<u>FY2015</u>	<u>FY2014</u>
Dividend Amount Per Share:	S\$ 0.0012 per ordinary share	S\$ 0.001 per ordinary share
Par Value:	US\$ 0.01	US\$ 0.01
Dividend Type:	Cash	Cash

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

The dividend is tax exempt and is not taxable in the hands of shareholders.

**(d) The date the dividend is payable.**

To be announced later.

**(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

To be announced later.

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

Not applicable.

**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 Company does not have an Interested Person Transaction mandate.

**14. Negative confirmation pursuant to Rule 705(5). (Not Required for announcement on full year results).**

Not applicable.

**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 Rules 720(1).**

The Company has obtained undertakings from all directors and executive officers.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

- 16. 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.**

	<b>Environmental Equipment Manufacturing</b>	<b>EPC Integrated Solutions</b>	<b>Green Investments</b>	<b>Total</b>
<b>2015</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Revenue</b>	991,724	443,614	-	1,435,338
<b>Result:</b>				
Segment result	100,749	34,130	-	134,879
Unallocated corporate expenses				(14,499)
Interest income	1,628	618	-	2,246
Finance cost	(19,059)	(4,880)	-	(23,939)
Profit before income tax				98,687
Income tax expense				(18,501)
Profit after income tax				80,186
<b>2014</b>				
Revenue	1,005,549	229,613	-	1,235,162
<b>Result:</b>				
Segment result	91,418	16,779	-	108,197
Unallocated corporate expenses				(10,483)
Interest income	1,404	180	-	1,584
Finance cost	(24,997)	(2,284)	-	(27,281)
Profit before income tax				72,017
Income tax expense				(15,754)
Profit after income tax				56,263

	<b>Environmental Equipment Manufacturing</b>	<b>EPC Integrated Solutions</b>	<b>Green Investments</b>	<b>Total</b>
<b>2015</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
<b>Statement of Net Assets</b>				
<b>Assets:</b>				
Segment assets	1,639,153	578,606	187,292	2,405,051
Unallocated assets				123,453
Total assets				<u>2,528,504</u>
<b>Liabilities:</b>				
Segment liabilities	886,222	474,710	158,280	1,519,212
Unallocated liabilities				16,534
Total liabilities				<u>1,535,746</u>

## **2014**

### **Statement of Net Assets**

<b>Assets:</b>				
Segment assets	1,670,290	221,845	-	1,892,135
Unallocated assets				8,104
Total assets				<u>1,900,239</u>
<b>Liabilities:</b>				
Segment liabilities	992,030	203,464	-	1,195,494
Unallocated liabilities				9,203
Total liabilities				<u>1,204,697</u>

### **Other Information**

	<b>Environmental Equipment Manufacturing</b>	<b>EPC Integrated Solutions</b>	<b>Green Investments</b>	<b>Total</b>
<b>2015</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
Capital expenditure				
- Property, plant and equipment	11,084	3,008	-	14,092
- Land use rights	14,286	-	-	14,286
Depreciation expenses	27,099	693	-	27,792
Impairment allowance on				
- trade and non-trade receivables-net	11,660	2,559	-	14,219
- inventories	65	5,242	-	5,307
- Property, plant and equipment	1,794	-	-	1,794
Amortisation of intangible assets	-	981	-	981
Amortisation of land use rights	1,392	20	-	1,412

## **2014**

Capital expenditure				
- Property, plant and equipment	40,525	3,406	-	43,931
- Land use rights	6,445	1,653	-	8,098
Depreciation expenses	25,386	716	-	26,102
Impairment allowance on				
- trade and non-trade receivables-net	4,744	(1,392)	-	3,352
- inventories	(2,531)	-	-	(2,531)
Amortisation of intangible assets	146	2,428	-	2,574
Amortisation of land use rights	1,392	20	-	1,412



### Geographical information

The geographical locations of the customers of the Group principally comprise the People's Republic of China ("PRC"), United States of America ("USA"), Europe, Middle East, Asia (except PRC), South East Asia and South America.

	Revenue from External customer		Non-current assets	
	2015 RMB'000	2014 RMB'000	2015 RMB'000	2014 RMB'000
PRC	1,265,272	1,153,347	473,400	350,036
Canada	18,300	-	-	-
America	27,416	7,577	-	-
South East Asia	52,191	59,764	-	-
Middle East	65,767	6,195	-	-
Europe	1,493	6,063	-	-
South America	4,899	2,216	-	-
<b>Total</b>	<b>1,435,338</b>	<b>1,235,162</b>	<b>473,400</b>	<b>350,036</b>

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

Please refer to Paragraph 8.

### 18. A breakdown of sales

	Group		% change
	2015 RMB'000	2014 RMB'000	Total
16(a) Sales reported for first half year	568,376	559,315	1.6
16(b) Operating profit/loss after tax before deducting non-controlling interest reported for first half year	24,816	31,567	(21.4)
16(c) Sales reported for second half year	866,962	675,847	28.3
16(d) Operating profit/loss after tax before deducting non-controlling interest reported for second half year	55,370	24,696	124.2

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

	FY2015		FY2014	
	S\$	RMB	S\$	RMB
Final tax-exempt dividend paid per share	0.0012	0.0054	0.0010	0.0050
Number of shares	737,657,142	737,657,142	329,000,000	329,000,000
<b>Total</b>	<b>885,189</b>	<b>3,983,349</b>	<b>329,000</b>	<b>1,643,000</b>

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

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to advise that none of the persons occupying managerial positions in the Company or any of its principal subsidiaries are related to a director, chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

Ma Ming  
Executive Director

24 February 2016