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**SOUND GLOBAL LTD.**

**桑德國際有限公司\***

*(Incorporated in Singapore with limited liability)*

**(Hong Kong Stock Code: 967)**

**(Singapore Stock Code: E6E.SI)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

This overseas regulatory announcement is a reproduction of the announcement made by Sound Global Ltd. (the “**Company**”). In compliance with Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), which requires a listed issuer to ensure that if securities of a listed issuer are also listed on other stock exchanges, the Stock Exchange shall be simultaneously informed of any information released to any of such other stock exchanges and that such information shall be released to the market in Hong Kong at the same time as it is released to the other markets. Please refer to the attached announcement on the next page issued on the Singapore Exchange Securities Trading Limited on February 27, 2013.

By Order of the Board

**Wen Yibo**

*Chairman*

Hong Kong, February 27, 2013

*As of the date of this announcement, the executive Directors are Wen Yibo, Wang Kai, Luo Liyang and Jiang Anping; and the independent non-executive Directors are Fu Tao, Seow Han Chiang Winston and Wong See Meng.*

*\* For identification purposes only*

**FOURTH QUARTER AND TWELVE MONTHS FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD / YEAR ENDED 31 DECEMBER 2012**

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

**1(a) An Statement Of Comprehensive Income (For The Group), Together With A Comparative Statement For The Corresponding Period Of The Immediately Preceding Financial Year.**

**1(a)(i) Unaudited Consolidated Statement of Comprehensive Income For The Fourth Quarter And Twelve Months Ended 31 Dec:**

	<b>Group 3 months ended 31/12/2012 RMB'000</b>	<b>Group 3 months ended 31/12/2011 RMB'000</b>	<b>% Increase/ (Decrease)</b>	<b>Group 12 months ended 31/12/2012 RMB'000</b>	<b>Group 12 months ended 31/12/2011 RMB'000</b>	<b>% Increase/ (Decrease)</b>
Revenue	689,538	601,083	14.7	2,652,256	2,287,575	15.9
Cost of sales	(488,519)	(426,076)	14.7	(1,851,869)	(1,565,523)	18.3
<b>Gross profit</b>	<b>201,019</b>	<b>175,007</b>	<b>14.9</b>	<b>800,387</b>	<b>722,052</b>	<b>10.8</b>
Other income	15,289	11,968	27.7	59,298	34,105	73.9
Other expenses	(5,201)	(1,392)	273.6	(3,124)	(10,888)	(71.3)
Distribution and selling expenses	(10,949)	(12,257)	(10.7)	(37,508)	(24,590)	52.5
Research and development expenses	(4,792)	(5,323)	(10.0)	(23,995)	(12,766)	88.0
Administrative expenses	(28,106)	(24,355)	15.4	(118,039)	(118,512)	(0.4)
Share of result of an associate	0	0	n.m.	0	(81)	(100.0)
Gain on disposal of an associate	0	0	n.m.	0	85	n.m.
Finance costs	(63,168)	(28,959)	118.1	(173,608)	(108,197)	60.5
<b>Profit before income tax</b>	<b>104,092</b>	<b>114,689</b>	<b>(9.2)</b>	<b>503,411</b>	<b>481,208</b>	<b>4.6</b>
Income tax expenses	(21,709)	(7,774)	179.3	(75,902)	(67,383)	12.6
<b>Profit for the year</b>	<b>82,383</b>	<b>106,915</b>	<b>(22.9)</b>	<b>427,509</b>	<b>413,825</b>	<b>3.3</b>
<b>Other comprehensive income</b>						
Exchange difference arising on translation and total other comprehensive income	76	363	(79.1)	101	641	(84.2)
<b>Total comprehensive income</b>	<b>82,459</b>	<b>107,278</b>	<b>(23.1)</b>	<b>427,610</b>	<b>414,466</b>	<b>3.2</b>
<b>Profit for the year attributable to:</b>						
Owners of the Company	82,383	106,915	(22.9)	427,509	413,825	3.3
Non-controlling interests	0	0	n.m.	0	0	n.m.
	<b>82,383</b>	<b>106,915</b>	<b>(22.9)</b>	<b>427,509</b>	<b>413,825</b>	<b>3.3</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	82,459	107,278	(23.1)	427,610	414,466	3.2
Non-controlling interests	0	0	n.m.	0	0	n.m.
	<b>82,459</b>	<b>107,278</b>	<b>(23.1)</b>	<b>427,610</b>	<b>414,466</b>	<b>3.2</b>

n.m. : not meaningful

1 (a)(ii)

	Group 3 months ended 31/12/2012 RMB'000	Group 3 months ended 31/12/2011 RMB'000	% Increase / (Decrease)	Group 12 months ended 31/12/2012 RMB'000	Group 12 months ended 31/12/2011 RMB'000	% Increase / (Decrease)
Other income:						
- Interest income	2,032	2,594	(21.7)	9,500	10,006	(5.1)
- Deemed interest income on service concession receivables	9,310	0	n.m.	41,068	21,372	92.2
- Allowance for doubtful debts written back	0	6,874	(100.0)	0	0	n.m.
- Net foreign exchange gain	0	0	n.m.	675	0	n.m.
- Gain arising on change in fair value of financial liability	2,911	0	n.m.	4,422	0	n.m.
- Others	1,036	2,500	(58.6)	3,633	2,727	33.2
Total other income	<u>15,289</u>	<u>11,968</u>	27.7	<u>59,298</u>	<u>34,105</u>	73.9
Other expenses:						
- Net foreign exchange losses	2,077	1,392	49.2	0	10,805	(100.0)
- Allowance for doubtful debts	3,003	0	n.m.	3,003	83	3,518.1
- Loss on early redemption and repurchase of convertible loan notes	119	0	n.m.	119	0	n.m.
- Others	2	0	n.m.	2	0	n.m.
Total other expenses	<u>5,201</u>	<u>1,392</u>	273.6	<u>3,124</u>	<u>10,888</u>	(71.3)
Finance costs:						
- Bank borrowings	21,028	11,014	90.9	61,847	37,212	66.2
- Interest expenses on convertible loan notes	12,867	17,945	(28.3)	66,250	70,985	(6.7)
- Interest expense on USD senior notes	29,273	0	n.m.	45,511	0	n.m.
Total finance costs	<u>63,168</u>	<u>28,959</u>	118.1	<u>173,608</u>	<u>108,197</u>	60.5
Amortisation of land use rights	<u>311</u>	<u>292</u>	6.5	<u>1,158</u>	<u>1,160</u>	(0.2)
Amortisation of intangible assets	<u>2,500</u>	<u>2,500</u>	0.0	<u>10,000</u>	<u>10,000</u>	0.0
Depreciation of property, plant and equipment	<u>1,641</u>	<u>1,189</u>	38.0	<u>4,529</u>	<u>3,975</u>	13.9

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.**

**Consolidated Statement of Financial Position:**

	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Group	Group	Company	Company
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Assets</b>				
<b>Current assets</b>				
Bank balances and cash	2,912,077	2,074,426	186,332	60,246
Restricted bank balances	53,137	56,847	0	0
Trade and other receivables	1,433,015	1,120,279	593,847	1,412,725
Amount due from customers for contract work	584,436	427,640	0	0
Inventories	24,371	21,587	0	0
Land use rights	1,158	1,158	0	0
<b>Total current assets</b>	<b>5,008,194</b>	<b>3,701,937</b>	<b>780,179</b>	<b>1,472,971</b>
<b>Non-current assets</b>				
Intangible assets	20,000	30,000	0	0
Goodwill	41,395	41,395	0	0
Land use rights	43,136	44,294	0	0
Property, plant and equipment	47,524	47,527	15	80
Subsidiaries	0	0	2,093,770	802,551
Service concession receivables	1,643,483	1,083,659	0	0
Deferred tax assets	7,822	7,372	0	0
Restricted bank balances	27,571	0	0	0
<b>Total non-current assets</b>	<b>1,830,931</b>	<b>1,254,247</b>	<b>2,093,785</b>	<b>802,631</b>
<b>Total assets</b>	<b>6,839,125</b>	<b>4,956,184</b>	<b>2,873,964</b>	<b>2,275,602</b>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Borrowings - due within one year	465,496	311,838	54,146	28,758
Trade and other payables	1,170,609	871,297	62,910	11,924
Amount due to customers for contract work	63,059	7,809	0	0
Tax payable	64,117	54,949	0	0
Convertible loan notes	0	818,252	0	818,252
<b>Total current liabilities</b>	<b>1,763,281</b>	<b>2,064,145</b>	<b>117,056</b>	<b>858,934</b>
<b>Non-current liabilities</b>				
Borrowings - due after one year	888,662	540,352	339,062	391,652
Warrants	3,531	7,953	3,531	7,953
Senior notes	922,644	0	922,644	0
Convertible loan notes	557,618	0	557,618	0
Deferred tax liabilities	48,877	39,065	0	0
<b>Total non-current liabilities</b>	<b>2,421,332</b>	<b>587,370</b>	<b>1,822,855</b>	<b>399,605</b>
<b>Total liabilities</b>	<b>4,184,613</b>	<b>2,651,515</b>	<b>1,939,911</b>	<b>1,258,539</b>
<b>Capital and reserves</b>				
Issued capital	833,368	833,368	833,368	833,368
Reserves	1,810,544	1,460,701	100,685	183,695
Equity attributable to owners of the Company	2,643,912	2,294,069	934,053	1,017,063
Non-controlling interests	10,600	10,600	0	0
<b>Total equity</b>	<b>2,654,512</b>	<b>2,304,669</b>	<b>934,053</b>	<b>1,017,063</b>
<b>Total liabilities and equity</b>	<b>6,839,125</b>	<b>4,956,184</b>	<b>2,873,964</b>	<b>2,275,602</b>

**1(b)(ii) Aggregate Amount Of Group's Borrowings And Debt Securities:****Amount repayable in one year or less, or on demand:**

As at 31/12/2012		As at 31/12/2011	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
363,146	102,350	175,558	954,532

**Amount repayable after one year:**

As at 31/12/2012		As at 31/12/2011	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
1,800,506	568,418	517,852	22,500

**Details of any collateral:**

The bank loans are secured by charges over the Company's assets, right under the service concession contracts and equity interest in certain subsidiaries.

**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.**

**Unaudited Consolidated Statements Of Cash Flows:**

	<b>Group 3 months ended 31/12/2012 RMB'000</b>	<b>Group 3 months ended 31/12/2011 RMB'000</b>	<b>Group 12 months ended 31/12/2012 RMB'000</b>	<b>Group 12 months ended 31/12/2011 RMB'000</b>
<b>Cash flow from operating activities:</b>				
Profit before income tax	104,092	114,689	503,411	481,208
Adjustments for:				
Depreciation of property, plant and equipment	1,641	1,189	4,529	3,975
Finance costs	63,168	28,959	173,608	108,197
Interest income	(11,342)	(2,367)	(50,568)	(31,378)
Loss on early redemption and repurchase of convertible loan notes	119	0	119	0
Share of result of an associate	0	0	0	81
Amortisation of land use rights	311	292	1,158	1,160
Amortisation of intangible assets	2,500	2,500	10,000	10,000
Allowance for doubtful debts (written back)	3,003	(6,874)	3,003	83
Fair value change of warrant	(2,911)	0	(4,422)	0
Gain on disposal of an associate	0	0	0	(85)
Gain on redemption of convertible loan notes	2,506	0	0	0
Loss on disposal of property, plant and equipment	0	6	256	80
Share based payment expenses	9,217	(1,106)	9,003	17,882
Foreign exchange gain and loss	(7,933)	8,462	(4,821)	8,745
<b>Operating profit before working capital changes</b>	<b>164,371</b>	<b>145,750</b>	<b>645,276</b>	<b>599,948</b>
Inventories	7,871	6,981	(2,784)	(9,531)
Amount due from customers for contract work	97,351	(105,322)	(156,796)	(89,989)
Trade and other receivables	294,321	54,393	(315,739)	(310,220)
Amount due to customers for contract work	15,757	7,809	55,250	(1,802)
Trade and other payables	(89,990)	(156,748)	245,196	(2,105)
Service concession receivables	(317,280)	24,604	(518,756)	(395,969)
<b>Cash generated from (used in) operations</b>	<b>172,401</b>	<b>(22,533)</b>	<b>(48,353)</b>	<b>(209,668)</b>
Income tax paid	(7,230)	(8,576)	(57,372)	(35,213)
<b>Net cash generated from (used in) operating activities</b>	<b>165,171</b>	<b>(31,109)</b>	<b>(105,725)</b>	<b>(244,881)</b>
<b>Cash flow from investing activities:</b>				
Purchase of property, plant and equipment	(1,279)	(990)	(4,844)	(4,869)
Interest received	2,032	2,594	9,500	10,006
Proceeds from disposal of property, plant and equipment	0	1	60	2
Proceeds from disposal of an associate	0	0	0	2,046
Dividend received from an associate	0	0	0	505
Deemed acquisition of a subsidiary	0	459	0	459
(Increase) Decrease in restricted bank balances	(6,045)	49,875	(23,890)	249,182
<b>Net cash (used in) from investing activities</b>	<b>(5,292)</b>	<b>51,939</b>	<b>(19,174)</b>	<b>257,331</b>
<b>Cash flow from financing activities:</b>				
Payment of dividends	0	0	(65,120)	(66,934)
Repayment of borrowings	(269,841)	(139,271)	(392,413)	(451,791)
Borrowings raised	517,860	410,647	892,860	649,847
Capital contribution from non-controlling interest	0	(3,000)	0	0
Early redemption of convertible loan notes	0	0	(263,000)	0
Repurchase of convertible loan notes	(22,052)	0	(22,052)	0
Net proceeds on issue of senior notes	0	0	923,084	0
Interest paid	(17,146)	(8,062)	(110,458)	(87,886)
<b>Net cash from financing activities</b>	<b>208,821</b>	<b>260,314</b>	<b>962,901</b>	<b>43,236</b>
Net increase in cash and cash equivalents	368,700	281,144	838,002	55,686
Effects of foreign exchange rate changes	1,249	(7,054)	(351)	(8,612)
Cash and cash equivalents at beginning of financial period	2,542,128	1,800,336	2,074,426	2,027,352
<b>Cash and cash equivalents at end of financial period</b>	<b>2,912,077</b>	<b>2,074,426</b>	<b>2,912,077</b>	<b>2,074,426</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.**

**Unaudited Statements Of Changes In Equity:**

	Issued capital	Merger reserve	Capital reserve	Translation reserve	Share option reserve	Convertible loan notes reserve	Statutory reserve fund	Retained earnings	Attributable to owners of the Company	Non-controlling Interest	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Group</b>											
Balance at 1 January 2011	833,368	(88,296)	7,994	366	12,479	79,676	63,737	1,019,331	1,928,655	7,600	1,936,255
Profit for the year	0	0	0	0	0	0		413,825	413,825	0	413,825
Other comprehensive income for the year	0	0	0	641	0	0	0	0	641	0	641
Recognition of equity-settled share based payments	0	0	0	0	17,882	0	0	0	17,882	0	17,882
Transfer to reserve fund	0	0	0	0	0	0	75,758	(75,758)	0	0	0
Acquisition of a subsidiary	0	0	0	0	0	0	0	0	0	3,000	3,000
Dividends paid	0	0	0	0	0	0	0	(66,934)	(66,934)	0	(66,934)
Balance at 31 December 2011	833,368	(88,296)	7,994	1,007	30,361	79,676	139,495	1,290,464	2,294,069	10,600	2,304,669
Profit for the year	0	0	0	0	0	0	0	427,509	427,509	0	427,509
Other comprehensive income for the year	0	0	0	101	0	0	0	0	101	0	101
Early redemption of convertible loan notes	0	0	0	0	0	(20,273)	0	0	(20,273)	0	(20,273)
Repurchase of convertible loan notes	0	0	0	0	0	(1,377)	0	0	(1,377)	0	(1,377)
Recognition of equity-settled share based payments	0	0	0	0	9,003	0	0	0	9,003	0	9,003
Transfer upon forfeiture of share options	0	0	0	0	(7,871)	0	0	7,871	0	0	0
Transfer to reserve fund	0	0	0	0	0	0	3,105	(3,105)	0	0	0
Dividends paid	0	0	0	0	0	0	0	(65,120)	(65,120)	0	(65,120)
Balance at 31 December 2012	833,368	(88,296)	7,994	1,108	31,493	58,026	142,600	1,657,619	2,643,912	10,600	2,654,512

	Issued capital	Capital reserve	Share option reserve	Convertible loan notes reserve	Retained earnings	Attributable to owners of the Company
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Company</b>						
Balance at 1 January 2011	833,368	7,010	12,479	79,676	71,792	1,004,325
Profit and total comprehensive income for the year	0	0	0	0	61,790	61,790
Recognition of equity-settled share based payments	0	0	17,882	0	0	17,882
Dividends paid	0	0	0	0	(66,934)	(66,934)
Balance at 31 December 2011	833,368	7,010	30,361	79,676	66,648	1,017,063
Loss and total comprehensive expense for the year	0	0	0	0	(5,243)	(5,243)
Early redemption of convertible loan notes	0	0	0	(20,273)	0	(20,273)
Repurchase of convertible loan notes	0	0	0	(1,377)	0	(1,377)
Recognition of equity-settled share based payments	0	0	9,003	0	0	9,003
Transfer upon forfeiture of share options	0	0	(7,871)	0	7,871	0
Dividends paid	0	0	0	0	(65,120)	(65,120)
Balance at 31 December 2012	833,368	7,010	31,493	58,026	4,156	934,053

**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.**

As at 31 December 2011 and 31 December 2012, the total number of shares in issue was 1,290,000,000.

There were no treasury shares as at 31 December 2011 and 31 December 2012.

On 23 July 2010, the Company granted 64,500,000 options under the Epure Share Option Scheme. As at 31 December 2011, the outstanding share options in issue were 42,989,200 with 21,510,800 forfeited. As at 31 December 2012, the outstanding share options in issue were 33,150,400 with 31,349,600 forfeited.

On 15 September 2010, the Company issued a RMB885 million USD settled 6% convertible bonds due 2015. As at 31 December 2011 and 31 December 2012, the outstanding convertibles were RMB 885 million and RMB 600 million respectively. The number of shares that may be issued on conversion of all the outstanding convertibles as at 31 December 2011 and 31 December 2012 was 257,689,633 and 177,296,896 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.**

As at 31 December 2011 and 31 December 2012, the total number of shares in issue was 1,290,000,000.

There were no treasury shares as at 31 December 2011 and 31 December 2012.

**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 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 Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period reported on, as in the most recently audited combined financial statements for the financial year ended 31 December 2011.

**(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 were no changes in 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.**

**Earnings Per Share:**

	<b>Group</b>		<b>Group</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
Earnings per ordinary share:				
- basic (RMB)	6.4 cents	8.3 cents	33.1 cents	32.1 cents
- fully diluted basis (RMB)	5.4 cents	8.1 cents	32.4 cents	31.3 cents

The basic earnings per ordinary share for the fourth quarter and twelve months ended 31 December 2011 and 31 December 2012 were calculated based on the profit attributable to owners of the Company, divided by the weighted average number of shares of 1,290,000,000.

For the fourth quarter and twelve months ended 31 December 2011 and 31 December 2012, the computation of diluted earnings per share assume the conversion of the outstanding convertible loan notes and were calculated based on the adjusted profit attributable to owners of the Company, divided by the adjusted weighted average number of shares of 1,526,656,859. The computation does not assume the exercise of the Company's options or warrants because the exercise price of those options or warrant was higher than the average market price of shares for the twelve months ended 31 December 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.**

**Net Asset Value:**

	<b>Group</b>		<b>Company</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>31/12/2012</b>	<b>31/12/2011</b>
Net asset value per ordinary share based on issued share capital as at the end of the financial period (RMB)	205.0 cents	177.8 cents	72.4 cents	78.8 cents

The net asset values per ordinary share for 31 December 2011 and 31 December 2012 were calculated based on the equity attributable to owners of the Company, divided by the number of issued shares of 1,290,000,000.

**(8) A Review Of The Performance Of The Group, To The Extent Necessary For A Reasonable Understanding Of The Group's Business. It Must Include A Discussion Of The Following:**

**(a) Any Significant Factors That Affected The Turnover, Costs, And Earnings Of The Group For The Current Financial Period Reported On, Including (Where Applicable) Seasonal Or Cyclical Factors; And**

**Review Of Group's Financial Performance:**

**Revenue**

The Group's revenue increased by approximately RMB88.4 million or 14.7% from approximately RMB601.1 million in 4Q2011 to approximately RMB689.5 million in 4Q2012 and increased by approximately RMB364.7 million or 15.9% from approximately RMB2,287.6 million in 12M2011 to approximately RMB2,652.3 million in 12M2012.

The increase in 12M2012 was mainly attributed to: (1) increased contribution from Operation and Maintenance ("O&M") segment of approximately RMB34.5 million from RMB59.8 million in 12M2011 to RMB94.3 million in 12M2012 as more Build-Operate-Transfer ("BOT") projects have started operations; (2) increased contribution from the turnkey engineering, procurement and construction ("EPC") services amounting to RMB276.4 million from RMB2,169.6 million in 12M2011 to RMB2,446.0 million in 12M2012 as the Group continues to be awarded and is fulfilling its EPC projects in PRC.; and (3) increased contribution from Hi-Standard by approximately RMB53.8 million from RMB58.2 million in 12M2011 to RMB112.0 million in 12M2012.

**Gross Profit and Gross Profit Margin**

Gross profit increased by approximately RMB26.0 million or 14.9% from approximately RMB175.0 million in 4Q2011 to approximately RMB201.0 million in 4Q2012 and increased by approximately RMB78.3 million or 10.8% from approximately RMB722.1 million in 12M2011 to approximately RMB800.4 million in 12M2012. The increase in 12M2012 was due to the higher revenue and the stable gross profit margin throughout the financial year.

The gross profit margin remained consistent at 29.1% for 4Q2011 and 4Q2012, and decreased by approximately 1.4% from approximately 31.6% for 12M2011 to approximately 30.2% for 12M2012. Given the nature of the turnkey projects, where revenue is recognised based on the percentage of completion, the gross profit margin for engineering works would fluctuate from quarter to quarter depending on the amount of revenue recognised for the relevant projects during the quarters in review. On a year-to-year basis, the gross profit margin remained relatively stable at around 30%.

**Other Income**

Other income increased by approximately RMB3.3 million or 27.7% from approximately RMB12.0 million in 4Q2011 to approximately RMB15.3 million in 4Q2012 and increased by approximately RMB25.2 million or 73.9% from approximately RMB34.1 million in 12M2011 to approximately RMB59.3 million in 12M2012.

The increase was mainly due to the higher interest income received as interest rate increased and increase in deemed interest on service concession receivables as a result of an increase in BOT operations.

**Other Expenses**

Other expenses increased by approximately RMB3.8 million or 273.6% from approximately RMB1.4 million in 4Q2011 to approximately RMB5.2 million in 4Q2012 and decreased by approximately RMB7.8 million or 71.3% from approximately RMB10.9 million in 12M2011 to approximately RMB3.1 million in 12M2012.

The increase in 4Q2012 is mainly due to the allowance for doubtful debts. The expenses for 12M2011 mainly arose from foreign exchange loss while the expense for 12M2012 mainly arose from allowance for doubtful debts.

**Distribution and Selling Expenses**

Distribution and selling expenses remained relatively consistent at approximately RMB12.3 million in 4Q2011 and approximately RMB10.9 million in 4Q2012 and increased by approximately RMB12.9 million or 52.5% from approximately RMB24.6 million in 12M2011 to approximately RMB37.5 million in 12M2012.

The increase in 12M2012 was mainly due to increase in travelling expenses, after-sales expense and tender fees paid to agents as driven by increase in business operations.

**Research and Development Expenses**

Research and development expenses remained relatively consistent at approximately RMB5.3 million in 4Q2011 and approximately RMB4.8 million in 4Q2012 and increased by approximately RMB11.2 million or 88.0% from approximately RMB12.8 million in 12M2011 to approximately RMB24.0 million in 12M2012 due to an increase in material costs and salaries to facilitate the increase in business operations.

**Administrative Expenses**

Administrative expenses increased by approximately RMB3.7 million or 15.4% from approximately RMB24.4 million in 4Q2011 to approximately RMB28.1 million in 4Q2012 and remained relatively consistent at approximately RMB118.5 million in 12M2011 and approximately RMB118.0 million in 12M2012. The marginal increase in 4Q2012 is driven by the increase in business activities.

**Share of Result of an Associate and Gain on Disposal of an Associate**

This pertained to 20% owned Shanghai Chenghuan Water Operation Co., Ltd for which the Group's share of loss was approximately RMB81,000 in 12M2011. The associate was disposed of during 3Q2011 resulting in a gain of approximately RMB85,000 in 12M2011.

**Finance Costs**

Finance costs increased by approximately RMB34.2 million or 118.1% from approximately RMB29.0 million in 4Q2011 and to approximately RMB63.2 million in 4Q2012 and increased by approximately RMB65.4 million or 60.5% from approximately RMB108.2 million in 12M2011 to approximately RMB173.6 million in 12M2012.

The increase was mainly due to interest expense recognised for the USD senior notes issued in 3Q2012.

**Income Tax Expenses**

Income tax expenses increased by approximately RMB13.9 million or 179.3% from approximately RMB7.8 million in 4Q2011 to approximately RMB21.7 million in 4Q2012 and increased by approximately RMB8.5 million or 12.6% from approximately RMB67.4 million in 12M2011 to approximately RMB75.9 million in 12M2012. Income tax expenses increased as a result of an increased in Group's profit.

**Profit Attributable to Owners of the Company**

As a result of the above, profit attributable to owners of the Company decrease by approximately RMB24.5 or 22.9% from approximately RMB106.9 million in 4Q2011 to approximately RMB82.4 million in 4Q2012 and increased by approximately RMB13.7 million or 3.3% from approximately RMB413.8 million in 12M2011 to approximately RMB427.5 million in 12M2012.

**(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 Group's Financial Position:**

**Current Assets**

The Group's current assets comprised of bank balances and cash, restricted bank balances, trade and other receivables, amount due from customers for contract work, inventories and land use rights (due within one year) and service concession receivables (due within one year).

Trade receivables, stated at net of allowance for doubtful debts, amounted to approximately RMB1,203.8 million. The allowance for doubtful debts was approximately RMB51.0 million. Service concession receivables due within one year and bill receivables amounted to approximately RMB78.6 million and RMB45.4 million respectively.

Other receivables were made up mainly of performance and tender deposits placed when we bid for projects of approximately RMB23.6 million, advance payments to suppliers and subcontractors of approximately RMB60.8 million as well as other receivables of approximately RMB20.8 million.

Amount due from customers for contract work refers to costs incurred on the projects that have not been billed to customers.

Inventories refer to equipment components and parts. As at 31 December 2012, the overall increase in inventories was attributable mainly to Hi-Standard. Inventories from turnkey business are not expected to be material as most of the civil engineering works are subcontracted to third parties.

The increase in current assets arose mainly from increase in trade receivables and bank balances driven by the increased business operations.

**Non-Current Assets**

The Group's non-current assets consisted of property, plant and equipment, land use rights, service concession receivables, deferred tax assets, and investments in subsidiaries as well as intangible assets and goodwill arising from the consolidation of Hi-Standard.

Property, plant and equipment comprised mainly of building, plant and machinery, transportation vehicles, and fixtures and equipments. We depreciate our property, plant and equipment using the straight-line method over their estimated useful lives, at rates ranging between 3% and 33% per annum.

Land use rights are amortised on a straight-line basis over the period of the lease. The decrease in land use rights was due to amortisation.

Intangible assets pertained to patents that arose from the acquisition of Hi-Standard. The decrease was due to amortisation.

Service concession receivables arose from BOT projects carried out by subsidiaries.

Deferred tax assets arose mainly from the allowance for doubtful debts.

The increase in non-current assets arose mainly from the increased investment in BOT projects.

**Current Liabilities**

The Group's current liabilities were made up mainly of borrowings within one year, trade and other payables, amounts due to customers for contract work and income tax payable.

Borrowings were obtained to fund our working capital and investment in BOT projects.

Trade and other payables were made up of amounts outstanding for trade purchases of approximately RMB784.7 million, other taxes payable (including value added tax and sales tax) of approximately RMB194.5 million, performance and tender deposits received from sub-contractors and bills payables of approximately RMB45.9 million, advances received from customer of approximately RMB24.5 million as well as accruals and other payables (including interest payables) of approximately RMB121.0 million.

Amount due to customers for contract work refer to progress billings made to contract customers based on contracts in excess of actual costs incurred on the projects.

Income tax payable increased as the business operations increased.

The decrease in current liabilities was due mainly to the classification of convertible loan notes to non-current liabilities, partly offset by the increase in borrowings and trade and other payables resulting from increase in business operations.

### **Non-Current Liabilities**

Long term borrowings were obtained to fund our BOT projects.

Warrants were issued to International Finance Corporation (“IFC”) on 5 December 2011 in relation to the additional USD36.0 million loan from IFC.

USD senior notes due on 2017 were issued on 10 August 2012 and the proceeds of the notes is used to invest in prospective BOT projects, refinance the convertible bonds and certain borrowings and for working capital and other general and corporate purposes.

Convertible loan notes represent the debt component of the bonds issued on 15 September 2010. Amount decreased due to partial redemption and repurchase amounting to RMB285 million during the year.

Deferred tax liabilities arose mainly from unremitted overseas dividends, upward fair value adjustments for assets upon the acquisition of Hi-Standard and deemed interest income on service concession receivables.

### **Capital and Reserves**

Equity attributable to owners of the Company increased by approximately RMB349.8 million or 15.2% from approximately RMB2,294.1 million as at 31 December 2011 to approximately RMB2,643.9 million as at 31 December 2012. This increase was due mainly to retained profits of approximately RMB427.5 million, partly offset by dividends paid of approximately RMB65.1 million.

The non-controlling interest of approximately RMB10.6 million relates to a 20% and 10% minority interest in Yantai Bihai Water Co., Ltd and Anyang Taiyuan Water Co., Ltd respectively. Both of these subsidiaries are operating BOT projects.

### **Cash Flow Statement**

Net cash generated from operating activities was approximately RMB165.2 million in 4Q2012 and net cash used in operating activities was approximately RMB105.7 million in 12M2012. The positive cash flow was mainly resultant from profits generated and the negative cash flow in operation in 12M2012 was mainly arose from increase in trade and other receivables and service concession receivables as driven by the increased business operations.

Net cash used in investing activities amounted to approximately RMB5.3 million in 4Q2012 and approximately RMB19.2 million in 12M2012. These amounts were due mainly to the increase in pledged deposits which is in line with the increase in borrowings.

Net cash generated from financing activities amounted to approximately RMB208.8 million in 4Q2012 and approximately RMB962.9 million in 12M2012. These amounts were due to new borrowings raised, including the senior notes issued in 3Q2012.

As at 31 December 2012, the Group’s cash position remained strong and stood at approximately RMB2,912.1 million.

### **(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 pertaining to the fourth quarter and twelve months ended 31 December 2012.

**(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 Company will continuously expand its share in the EPC market and consolidate its leading market position by proactively seeking Sewage Treatment Plant Upgrade and Improvement Project. The requirement on the standard of the discharge is relatively low for a number of sewage treatment plants which were built during the period of “9<sup>th</sup> Five-Year-Plan” and “10<sup>th</sup> Five-Year-Plan” and this will give rise to the opportunity of equipment modification. This generates a tremendous demand for improving the discharge standard of the sewage treatment plants with the implementation of the measures on upgrading the discharge standard to grade 1A standard in various regions and provinces. In addition, with the adoption of more stringent regulatory standard by the PRC government in respect to zero discharge of industrial sewage and recycling, improvement projects from industrial sewage treatment sector will be undertaken.

The Company will actively seek out projects with relatively good return and controllable risk in a cautious manner, expanding the source of stable income from BOT and O&M projects. The rapid pace of development of urbanization of the PRC and the zonation development for industrial and corporate enterprises help to create investment opportunities which provides the Company with investment options with more favorable returns and therefore the Company will increase its efforts to develop investment projects. The Company will continue to explore O&M markets vigorously. Currently, there are approximately 3,000 municipal sewage treatment plants under operation and 2,000 sewage treatment plants under construction in the PRC. Following the completion of the construction of large-scale sewage treatment facilities in the PRC, the proportion of water treatment enterprises turning to water service companies will increase year by year. In addition, with the gradual maturity of the political environment for the third-party trust operation aspect of the industrial sewage treatment market, the water operation service market has entered from the incubation stage into a stage where the scale begins to expand rapidly.

The Company will continue to expand its international business steadily, including EPC and equipment sales, extending its coverage to emerging markets and developing countries such as the Saudi Arabia and Southeast Asia regions, in order to satisfy the enormous demand from such regions. The Company has been qualified for tendering certain overseas projects and has established relevant market development systems in these countries. The Company aims to achieve remarkable progress and development in the next three to five years.

Urban sewage has been one of the main sources of regional pollution in the PRC. The sewage treatment market for small towns is still in its beginning stage, which will be a new strategic target in the PRC following the sewage treatment projects for large and middle-sized cities. In the future, a rapid growth in the construction of sewage treatment plants for small-sized cities is expected. By fully leveraging on our strengths in the technology, management and integrated industrial chain, as well as developing and applying the state-of-art patent technology similar to SMART\* patent technology, the Company, through centralised, modularised and clustered management, will formulate an economically viable solution for the environmental management in the towns and rural areas in the PRC.

*\* Small & Skillful, Multiple & Modular, Active & Automatic, Rapid and Technologic*

**(11) Dividend**

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

**Any Dividend Declared For The Current Financial Period Reported On?**

No

**(b) Corresponding Period Of The Immediately Preceding Financial Year**

**Any Dividend Declared For The Corresponding Period Of The Immediately Preceding Financial Year?**

Name of Dividend	First and Final
Dividend Type	Cash
Dividend Rate	1 cents per ordinary share
Tax Rate	One-tier tax exempt

**(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) Use Of Proceeds

#### (A) Placement Proceeds

Approximately RMB208.0 million (approximately S\$43.9 million) of the net placement proceeds of approximately S\$63.6 million was utilised for acquisition.

Periodic announcements about the utilisation of the balance of the placement proceeds (approximately S\$19.7 million) will be made as and when such proceeds are materially deployed.

#### (B) Convertible Bonds Proceeds

Due to change in funds requirement, the Board re-allocates the intended use of proceeds in following manner:

- approximately 45% for investment in prospective BOT projects and water and wastewater treatment projects in other investment project formats and the acquisition of BOT projects with attractive return profiles from local enterprises and municipal governments;
- approximately 14% to repay certain existing indebtedness;
- approximately 38% for working capital and other general corporate purposes.
- approximately 3% as pledged deposits for certain loans/ bank facilities

Following the change in amount allocated the net proceeds of approximately USD126.6 million have been deployed in the following manner:

Use of Convertible Bonds Proceeds (USD'000)	Amount re-allocated and fully deployed as at 31 December 2012
Investment and acquisition of BOT projects	57,082
To repay certain existing indebtedness	17,997
General working capital and other general corporate purposes	
• Restricted bank deposits for certain loans/ bank facilities	3,380
• Other operating expenses	48,115
Total	126,574

#### (C) Senior Notes Proceeds

The net proceeds of the USD150 million 11.875% senior notes due 2017 is approximately USD146.2 million and have been deployed in the following manner:

	Amount (USD'000)
Net proceeds	146,234
Investment and acquisition of BOT projects	(19,917)
Refinancing the 6% Convertible Bonds	(49,220)
Repayment of the term loan facility with Wing Lung Bank Limited	(12,917)
For working capital and other general and corporate purposes	
• Repayment of borrowings and relevant interest	(3,749)
• Restricted bank deposits for certain loans/ bank facilities	(3,973)
• Other operating expenses	(14,125)
Balance as at 31 December 2012	42,333

The Company will continue to make periodic announcements as and when such proceeds are materially deployed.

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

**(14) Segmented Revenue And Results For Operating 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.**

The Group presents its primary segmental information related to the following operating segments:

- (1) Turnkey projects and services  
Provision of turnkey services involving the entire process from planning, design, equipment procurement, production, construction and engineering, to installation and commissioning of water and wastewater treatment systems, and research and development work of water and wastewater treatment equipment and techniques.
- (2) Equipment fabrications  
Manufacturing, fabrication, sales and installation of generic or custom-manufacture specialised equipment for water and wastewater treatment systems.
- (3) Operations and maintenance  
Operating of water and wastewater treatment facilities (including BOT projects and operations and maintenance projects)

**December 31, 2012**

	<b>Turnkey projects and services RMB'000</b>	<b>Equipment fabrications RMB'000</b>	<b>O&amp;M RMB'000</b>	<b>Segment total RMB'000</b>	<b>Elimination RMB'000</b>	<b>Consolidated RMB'000</b>
<b>Revenue</b>						
External sales	2,445,959	111,991	94,306	2,652,256	-	2,652,256
Inter-segment sales	-	115,349	-	115,349	(115,349)	-
Total revenue	<u>2,445,959</u>	<u>227,340</u>	<u>94,306</u>	<u>2,767,605</u>	<u>(115,349)</u>	<u>2,652,256</u>
<b>Results</b>						
Segment results	607,876	7,513	33,635	649,024	-	649,024
Unallocated income						17,888
Unallocated expenses						(163,501)
Profit before income tax						<u>503,411</u>
<b>Assets and Liabilities</b>						
Segment assets	4,708,878	551,925	2,418,070	7,678,873	(1,026,918)	6,651,955
Unallocated corporate assets						187,170
Consolidated assets						<u>6,839,125</u>
Segment liabilities	2,144,465	220,531	891,277	3,256,273	(1,026,918)	2,229,355
Deferred tax liabilities						20,125
Unallocated corporate liabilities						1,935,133
Consolidated liabilities						<u>4,184,613</u>

<b>Other Information</b>	<b>Turnkey projects and services RMB'000</b>	<b>Equipment fabrications RMB'000</b>	<b>O&amp;M RMB'000</b>	<b>Unallocated RMB'000</b>	<b>Total RMB'000</b>
Additions to non-current assets excluding financial instruments and deferred tax assets	2,589	149	2,096	10	4,844
Depreciation and amortisation	1,739	12,823	1,050	75	15,687
Interest income	8,654	327	38	481	9,500
Imputed interest income on service concession receivables	-	-	41,068	-	41,068
Loss on disposal of property, plant and equipment	256	-	-	-	256
Finance costs	18,441	2,476	17,250	135,441	173,608



**December 31, 2011**

	Turnkey projects and services RMB'000	Equipment fabrications RMB'000	O&M RMB'000	Segment total RMB'001	Elimination RMB'000	Consolidated RMB'000
<b>Revenue</b>						
External sales	2,169,608	58,191	59,776	2,287,575	-	2,287,575
Inter-segment sales	-	181,050	-	181,050	(181,050)	-
Total revenue	2,169,608	239,241	59,776	2,468,625	(181,050)	2,287,575
<b>Results</b>						
Segment results	528,211	52,019	27,077	607,307	-	607,307
Unallocated income						1,248
Unallocated expenses						(127,351)
Share of result of an associate						(81)
Gain on disposal of an associate						85
Profit before income tax						481,208
<b>Assets and Liabilities</b>						
Segment assets	3,547,502	551,453	1,641,784	5,740,739	(846,522)	4,894,217
Unallocated corporate assets						61,967
Consolidated assets						4,956,184
Segment liabilities	1,415,234	217,062	593,119	2,225,415	(846,522)	1,378,893
Deferred tax liabilities						26,008
Unallocated corporate liabilities						1,246,614
Consolidated liabilities						2,651,515

<b>Other Information</b>	Turnkey projects and services RMB'000	Equipment fabrications RMB'000	O&M RMB'000	Unallocated RMB'000	Total RMB'000
Additions to non-current assets excluding financial instruments and deferred tax assets		1,704	754	2,314	4,869
Depreciation and amortisation		1,499	12,802	748	15,135
Interest income		8,194	497	67	10,006
Imputed interest income on service concession receivables		-	-	21,372	21,372
Loss on disposal of property, plant and equipment		80	-	-	80
Finance costs		12,218	1,203	11,804	108,197

**Geographical information**

The Group's operations are located in the PRC, the Kingdom of Saudi Arabia (the "Saudi Arabia") and the People's Republic of Bangladesh ("Bangladesh"). The Group's revenue from external customers is presented based on the location of the operations of customers. Information about the Group's non-current assets other than financial instruments and deferred tax assets is presented based on the geographical location of the assets.

	Year ended 31 December 2012 RMB'000	Year ended 31 December 2011 RMB'000
Revenue from external customers		
PRC	2,547,797	1,957,120
Saudi Arabia	96,032	330,455
Bangladesh	8,427	0
	2,652,256	2,287,575
Non-current assets		
PRC	150,682	162,890
Saudi Arabia	1,373	326
	152,055	163,216

Revenue from Jiangyan City Housing and Urban Construction Bureau in turnkey projects and services segment contributed 10.73% of the Group's total revenue for the year ended 31 December 2012 (2011: Revenue from Power & Water Utility Company for Jubail & Yanbu (Marafiq) in turnkey projects and services segment contributed 14.45% of the Group's total revenue for the year ended 31 December 2011). Except for this, no other single customers contributed 10% or more to the Group's total revenue for the year ended 31 December 2012.

**(15) In The Review Of Performance, The Factors Leading To Any Material Changes In Contributions To Turnover And Earnings By The Operating Segments.**

Turnkey revenue increased by approximately RMB276.4 million or 12.7% from approximately RMB2,169.6 million in 12M2011 to RMB2,446.0 million in 12M2012 as the Group expands its operations. Profit contribution from turnkey projects and services increased by approximately RMB79.7 million or 15.1% from approximately RMB528.2 million in 12M2011 to approximately RMB607.9 million in 12M2012. The Group continues to be awarded and fulfilling its EPC projects in PRC.

Revenue from equipment fabrication segment decreased by approximately RMB11.9 million or 5.0% from approximately RMB239.2 million in 12M2011 to RMB227.3 million in 12M2012. Profit contribution from equipment fabrication segment decreased by approximately RMB44.5 million or 85.6% from approximately RMB52.0 million in 12M2011 to approximately RMB7.5 million in 12M2012.

Revenue from operations and maintenance segment increased by approximately RMB34.5 million or 57.7% from approximately RMB59.8 million in 12M2011 to approximately RMB94.3 million in 12M2012. Profit contribution from operations and maintenance segment increased by approximately RMB6.5 million or 24.0% from approximately RMB27.1 million in 12M2011 to approximately RMB33.6 million in 12M2012. Revenue and profit increased as more BOT projects started operations in 2012.

**(16) A Breakdown Of Sales As Follows:**

	<b>Group</b>	<b>Group</b>	
	<b>31/12/2012</b>	<b>31/12/2011</b>	<b>% Increase / (Decrease)</b>
	<b>RMB'000</b>	<b>RMB'000</b>	
(a) Sales reported for first half year	1,184,034	1,060,268	11.7%
(b) Operating profit after tax before deducting minority interests reported for first half year	193,451	175,429	10.3%
(c) Sales reported for second half year	1,468,222	1,227,307	19.6%
(d) Operating profit after tax before deducting minority interests reported for second half year	234,058	238,396	(1.8%)

**(17) A Breakdown Of The Total Annual Dividend (In Dollar Value) For The Issuer's Latest Full Year And Its Previous Full Year As Follows:**

	<b>31/12/2012</b>	<b>31/12/2011</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Ordinary shares	Nil	12,900
Preference shares	Nil	Nil
	Nil	12,900

**(18) Interested Person Transactions**

On 15 August 2007, shareholders approved a general mandate for the Group to provide EPC and management services to the Sound Group Limited and its subsidiaries and associated companies. This general mandate was renewed at the annual general meeting held on 27 April 2012.

<b>Name of Interested Person</b>	<b>Aggregate value of all Interested Person Transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920)</b>	<b>Aggregate value of all Interested Person Transactions conducted under Shareholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Lingu Yiqing Environment Energy Co., Ltd	NIL	3,270
Anda Anhua Environmental Co., Ltd	NIL	7,520
Huzhou Zheqing Water Co., Ltd	333	NIL
Hongze Hongqing Environment Co., Ltd	NIL	230
Sound Group Ltd.	4,101	NIL
<b>Total</b>	<b>4,434</b>	<b>11,020</b>

**(19) 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(10) As Follow:**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or substantial shareholder</b>	<b>Current position and duties, and the year position was held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
NIL	NIL	NIL	NIL	NIL

By Order Of The Board

Wen Yibo  
Chairman

Singapore  
27 February 2013