



	GROUP		
	12 month period from 01/1/16 to 31/12/16* FY2016	12 month period from 01/1/15 to 31/12/15* FY2015	% Change
	US\$'000	US\$'000	
<b>Other comprehensive loss</b>			
Foreign currency translation differences – foreign operation	(288)	1,034	-127.9
Deficit on revaluation of leasehold land and building (net of tax)	-	(3,095)	N.M
<b>Total comprehensive loss for the period</b>	<b>(725)</b>	<b>(8,205)</b>	<b>-91.2</b>
<b>Loss for the period attributable to:</b>			
<b>Owner of the Company</b>			
Loss from continuing operations, net of tax	(636)	(47)	+1,253.2
Loss from discontinuing operations, net of tax	(119)	(6,051)	-98.0
	<b>(755)</b>	<b>(6,098)</b>	<b>-87.6</b>
<b>Non-controlling interest</b>			
Gain/(Loss) from continuing operations, net of tax	318	(46)	+791.3
Loss from discontinuing operations, net of tax	-	-	
<b>Total loss for the period</b>	<b>(437)</b>	<b>(6,144)</b>	<b>-92.9</b>
<b>Total comprehensive loss attributable to:</b>			
<b>Owner of the Company</b>			
Loss from continuing operations, net of tax	(472)	(47)	+904.3
Loss from discontinuing operations, net of tax	(538)	(10,223)	-94.7
	<b>(1,010)</b>	<b>(10,270)</b>	<b>-90.2</b>
<b>Non-controlling interest</b>			
Gain/(Loss) from continuing operations, net of tax	285	(42)	-778.6
Loss from discontinuing operations, net of tax	-	-	
<b>Total comprehensive loss</b>	<b>(725)</b>	<b>(10,312)</b>	<b>-93.0</b>
Loss per share attributable to the Company – in cents Basic and diluted			
Loss from continuing operations, net of tax	<b>(0.07)</b>	<b>(0.02)</b>	<b>+250.0</b>
Loss from discontinuing operations, net of tax	<b>(0.02)</b>	<b>(1.29)</b>	<b>-98.4</b>
	<b>(0.09)</b>	<b>(1.31)</b>	<b>-93.1</b>

+ denotes "increase"  
- denotes "decrease"  
N.M denotes "not meaningful"

Notes:

In 2015, the Company has changed its financial year end from 30 September to 31 December. The comparative results in this announcement covered the period 1 January 2016 to 31 December 2016 against 1 January 2015 to 31 December 2015.

**Notes to statement of comprehensive income**

Other income for the period is arrived after crediting the following:

	<b>12 month period from 01/01/16 to 31/12/16 FY2016</b>	<b>12 month period from 01/01/15 to 31/12/15 FY2015</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Discontinued operations</b>		
Gain in sale of scrap material	5	85
Government grants	67	87
Gain on disposal of property, plant and equipment	482	-
Gain on disposal of paper	116	-

Loss for the period is arrived at after (charging)/crediting the following:

	<b>12 month period from 01/1/16 to 31/12/16 FY2016</b>	<b>12 month period from 01/1/15 to 31/12/15 FY2015</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b>Continued operations</b>		
Foreign exchange loss, net	391	-
<b>Discontinued operations</b>		
Foreign exchange loss, net	49	88
(Write back)/ Impairment loss on trade receivable, net	(70)	225
Write-down of inventories, net	97	442
Impairment loss on asset held for sale	219	287

**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 years.**

	GROUP			COMPANY		
	31/12/16	31/12/15	30/09/14	31/12/16	31/12/15	30/09/14
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>						
Property, plant and equipment	42	-	19,641	-	-	19,641
Investments in subsidiaries	-	-	-	7,243	4,351	-
Deferred tax assets	2	-	-	-	-	-
	<b>44</b>	<b>-</b>	<b>19,641</b>	<b>7,243</b>	<b>4,351</b>	<b>19,641</b>
<b>Current assets</b>						
Inventories	7,156	-	2,504	-	-	2,504
Goods in transit	1,654	-	-	-	-	-
Trade receivables	7,341	-	2,816	-	-	2,816
Other receivables and deposits	134	53	101	78	-	101
Prepayments	9,012	2,020	32	15	-	32
Amount due from subsidiary	-	-	-	2,508	-	-
Financial assets, at fair value through profit or loss	111	-	-	-	-	-
Available-for-sale financial assets	648	-	-	-	-	-
Cash and bank balances	856	6,703	11,123	57	300	11,121
	<b>26,912</b>	<b>8,776</b>	<b>16,576</b>	<b>2,658</b>	<b>300</b>	<b>16,574</b>
<b>Assets directly associated with discontinued operations</b>	<b>14,244</b>	<b>17,302</b>	<b>-</b>	<b>14,244</b>	<b>16,110</b>	<b>-</b>
<b>Total assets</b>	<b>41,200</b>	<b>26,078</b>	<b>36,217</b>	<b>24,145</b>	<b>20,761</b>	<b>36,215</b>
<b>Current liabilities</b>						
Trade payables	10,827	-	1,756	-	-	1,756
Other payables and accruals	1,932	319	1,265	785	307	1,257
Advances from customers	2,907	-	-	-	-	-
Amounts due to directors and shareholder	3,052	-	5,555	3,052	-	5,555
Loans and borrowings	-	-	3,269	-	-	3,269
Finance lease liabilities	-	-	15	-	-	15
Income tax liability	254	-	-	-	-	-
	<b>18,972</b>	<b>319</b>	<b>11,860</b>	<b>3,837</b>	<b>307</b>	<b>11,852</b>

	GROUP			COMPANY		
	31/12/16	31/12/15	30/09/14	31/12/16	31/12/15	30/09/14
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Long-term liabilities</b>						
Loans and borrowings	-	-	-	-	-	-
Finance lease liabilities	12	-	10	-	-	10
Provisions	-	-	12	-	-	12
	<b>12</b>	<b>-</b>	<b>22</b>	<b>-</b>	<b>-</b>	<b>22</b>
<b>Liabilities directly associated with discontinued operations</b>	<b>3,375</b>	<b>9,216</b>	<b>-</b>	<b>3,318</b>	<b>8,886</b>	<b>-</b>
<b>Net assets</b>	<b>18,841</b>	<b>16,543</b>	<b>24,335</b>	<b>16,990</b>	<b>11,568</b>	<b>24,341</b>
<b>Equity</b>						
Share capital	33,246	19,284	16,999	33,246	19,284	16,999
Other equity instruments	-	8,704	10,989	-	8,704	10,989
Translation reserve	(1,837)	(2,197)	(126)	(1,784)	(2,155)	(127)
Assets revaluation reserve	9,909	9,909	12,848	9,909	9,909	12,848
Accumulated losses	(22,491)	(23,295)	(16,375)	(24,381)	(24,174)	(16,368)
<b>Attributable to owner of the Company</b>	<b>18,827</b>	<b>12,405</b>	<b>24,335</b>	<b>16,990</b>	<b>11,568</b>	<b>24,341</b>
Non-controlling interest	14	4,138	-	-	-	-
<b>Total equity</b>	<b>18,841</b>	<b>16,543</b>	<b>24,335</b>	<b>16,990</b>	<b>11,568</b>	<b>24,341</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 31/12/16		As at 31/12/15		As at 30/09/14	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
-	4,138*	1,910	3,023*	3,284	5,450*

**Amount repayable after one year**

As at 31/12/16		As at 31/12/15		As at 30/09/14	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
12	-	4	-	10	-

\*The unsecured amount relates to loans owing to directors.

**Details of any collateral**

In FY2016, US\$12,000 of hire purchase financing was secured by a charge over the respective asset.

For FY2015 and FY2014, the Group's borrowings for bank overdrafts, trust receipts and term loans were secured by the Company's factory building located at 9 Joo Koon Circle, Singapore 629041. Such borrowings were fully paid off in FY2016. Hire purchase financing was secured by a charge over the respective asset. Amounts due to a finance house were secured by specific customer debts.

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.

	12 month period from 01/1/16 to 31/12/16*	12 month period from 01/1/15 to 31/12/15*
	US\$'000	US\$'000
<b>Cash flows from operating activities</b>		
Loss before income tax		
<b>Continuing operations</b>	(76)	(93)
<b>Discontinued operations</b>	(119)	(6,051)
	<b>(195)</b>	<b>(6,144)</b>
<b>Adjustments:</b>		
Depreciation of property, plant and equipment	8	1,073
Interest expense	136	526
Gain on disposal of property, plant and equipment	(482)	-
Impairment loss on assets held for sale	219	287
<b>Operating cash flows before working capital changes</b>	<b>(314)</b>	<b>(4,258)</b>
Change in trade and other receivables	(6,098)	444
Change in prepayments	(6,964)	(1,998)
Change in inventories	(6,802)	1,694
Change in goods in transit	(1,654)	-
Change in advances from customers	2,907	-
Change in trade and other payables	10,638	(65)
<b>Cash used in operations</b>	<b>(8,287)</b>	<b>(4,183)</b>
Interest paid	(136)	(526)
<b>Net cash used in operating activities</b>	<b>(8,423)</b>	<b>(4,709)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(185)	(25)
Net proceeds from disposal of property, plant and equipment	1,526	-
Investment in financial assets, at fair value through profit or loss	(111)	-
Investment in available-for-sale financial assets	(648)	-
<b>Net cash generated from/(used in) investing activities</b>	<b>582</b>	<b>(25)</b>
<b>Cash flows from financing activities</b>		
Net repayments to trade receivables factoring, net	(541)	(137)
Net repayments to bills payable, net	(1,441)	(864)
Repayment of term loans	-	(311)
Net proceeds from/(repayment to) finance lease liabilities	4	(7)
Net proceeds from /(repayments to) amount due to directors	1,022	(1,501)
Proceeds from non-controlling interest	-	4,180
Proceeds from issue of shares <sup>(1)</sup>	2,980	-
Proceeds from issue of convertible bonds, net	-	-
<b>Net cash generated from financing activities</b>	<b>2,024</b>	<b>1,360</b>
Net decrease in cash and cash equivalents	(5,817)	(3,374)
Effect of changes in currency translation	(30)	(59)
Cash and cash equivalents at beginning of financial period	6,703	10,136
<b>Cash and cash equivalents at end of financial period</b>	<b>856</b>	<b>6,703</b>





Company	Share Capital	Other Equity Instruments	Foreign Currency Translation Reserve	Assets Revaluation Reserve	Accumulated Losses	Total Equity		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Balance at 1 January 2016</b>	19,284	8,704	(2,155)	9,909	(24,174)	11,568		
Total comprehensive loss for the period	-	-	(244)	-	(207)	(451)		
Issuance of Placement shares	2,980	-	-	-	-	2,980		
Acquisition of non-controlling interest	2,893	-	-	-	-	2,893		
Conversion of convertible bonds	8,089	(8,704)	615	-	-	-		
<b>Balance at 31 December 2016</b>	33,246	-	(1,784)	9,909	(24,381)	16,990		

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.

#### Subscription Agreement

Pursuant to a subscription agreement dated 8 May 2014 (the "**Subscription Agreement**") entered into between the Company and each of Mr Shi Jiangan and Mr Sam Kok Yin (the "**Subscribers**"), the Company:

- issued to the Subscribers non-transferrable convertible bonds due 24 March 2016 in an aggregate principal amount of S\$14,000,000 (the "**Convertible Bonds**") convertible into an aggregate of 280,000,000 new ordinary shares in the capital of the Company (the "**Conversion Shares**") at an exercise price of S\$0.05 per Conversion Share; and
- granted to the Subscribers an option (the "**Call Option**") to require the Company to allot and issue an aggregate of 210,000,000 new ordinary shares in the capital of the Company (the "**Option Shares**") at the price of S\$0.05 per Option Share.

On 10 December 2014, pursuant to the Subscription Agreement under which Mr Sam Kok Yin exercised his right to convert a principal amount of S\$3,000,000 in Convertible Bonds into Conversion Shares, the Company issued and allotted 60,000,000 Conversion Shares to Mr Sam Kok Yin.

On 24 March 2016, pursuant to the Subscription Agreement, the Company issued and allotted 220,000,000 ordinary shares at the price of S\$0.05 each in the capital of the Company, following the automatic conversion of S\$11,000,000 outstanding Convertible Bonds due 2016.

Further details of the Subscription Agreement are set out in the Company's announcement dated 8 May 2014.

### JV Agreement

On 1 June 2015, the Company entered into a joint venture agreement (the “**JV Agreement**”) with Mr Jiang Hao in relation to a new joint venture company, Orient-Salt Chemicals Pte. Ltd. (“**OSC Singapore**”). Under the JV Agreement, the parties agreed to grant to each other put and call options in relation to an aggregate of 69,176,472 new shares in the capital of the Company (the “**JV Put and Call Options**”). On 17 June 2016, the Company announced that it had entered into an agreement to purchase the remaining 49% (the “**Sale Shares**”) in OSC Singapore from Mr Jiang Hao (the “**Acquisition**”). The consideration for the Sale Shares shall be satisfied on completion of the Acquisition by the issue and allotment to Mr Jiang Hao (and/or such other parties as he may nominate) of an aggregate of 117,600,000 new shares in the Company (the “**Consideration Shares**”) at an issue price of S\$0.05 per Consideration Share. The Acquisition was completed and the Consideration Shares were issued to Mr Jiang Hao on 30 December 2016, thereby, terminating the JV agreement and the JV Put and Call Options.

Further details of the JV Agreement, the Acquisition, and the completion of the Acquisition are set out in the Company’s announcements dated 2 June 2015, 17 June 2016, and 30 December 2016 respectively.

### Compliance Placement

On 17 June 2016, in addition to the Acquisition, the Company also announced a placement of 57,150,000 new ordinary shares (the “**Placement Shares**”) at the issue price of S\$0.07 per Placement Share (the “**Compliance Placement**”). Completion had taken place and the Placement Shares were issued on 19 July 2016.

### Summary of Outstanding Convertibles

As at 31 December 2016, the total number of issued shares in the Company is 642,750,000 shares (31 December 2015: 248,000,000 shares). The number of shares that may be issued on conversion/exercise of all the outstanding convertibles (comprising only the Call Option under the Subscription Agreement as the JV Put and Call Options under the JV Agreement had terminated following the termination of the JV Agreement on 30 December 2016) is 210,000,000 shares (31 December 2015: 499,176,472 shares). There were no treasury shares held as at 31 December 2016 and 31 December 2015.

### Subsequent Events

On 17 June 2016, in addition to the Acquisition and Compliance Placement, the Company also announced a rights issue of up to S\$12,855,000 in principal amount (the “**Principal Amount**”) of zero coupon bonds (the “**Bonds**”) with principal amount of S\$0.02 for each Bond, with up to 642,750,000 free detachable European warrants (the “**Warrants**”), with each Warrant carrying the right to subscribe for one new ordinary share at an exercise price of S\$0.02 each, on the basis of one Bond of principal amount S\$0.02 each with one free Warrant for every existing share in the capital of the Company (the “**Rights Issue**”). The issue price of the Bonds will comprise 80 per cent. of the Principal Amount.

Based on the total issued capital of the Company of 642,750,000 shares that remained outstanding as at the Books Closure Date (as defined in the Offer Information Statement dated 5 January 2017), 642,750,000 Bonds with Warrants were available for subscription under the Rights Issue and they were fully subscribed for. The 642,750,000 Bonds with Warrants had been allotted and issued on 31 January 2017.

Please refer to the Company’s announcements of 17 June 2016, 13 November 2016, 22 December 2016, 31 January 2017, as well as the Offer Information Statement dated 5 January 2017 in relation to the Rights Issue for more details.

**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.**

	<b>As at 31/12/16</b>	<b>As at 31/12/15</b>
	<b>'000</b>	<b>'000</b>
Total number of issued shares	642,750	248,000

The Company does not have any treasury shares as at 31/12/16 and 31/12/15.

**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 by the Company's auditors.

**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 reporting period compared with those of the audited financial statements for the financial period ended 31 December 2015 except for the adoption of the new and revised Financial Reporting Standards which became effective for the financial period beginning on or after 1 January 2016 and the change of presentation currency from SGD to USD with effect from 1 January 2016.

The Group is of the opinion that USD presentation currency best reflects the current and prospective economic substance of the underlying transactions of the Group as a significant amount of the Group's revenue and purchases are and will increasingly be transacted in USD subsequent to the commencement of the chemical trading business and the cessation of internal production in respect of the printing business.

Accordingly, the Group has translated its results and financial position into USD starting from 1 January 2016. The comparatives of the financial statements of the Company and of the Group for FY2016 were restated and presented in USD. Specifically, the assets and liabilities of the Company and of the Group as at 31 December 2015 and 30 September 2014 were translated from SGD to USD at the closing exchange rates as at 31 December 2015 and 30 September 2014 respectively, while the income and expense items of the Company and of the Group for FY2015 were translated at the average rate during the said period.

**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.**

Please refer to note 4.

**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	
	Period ended 31/12/16	Period ended 31/12/15
Loss per ordinary share for the year attributable to shareholders:		
Basic and fully diluted		
Loss from continuing operations, net of tax (US cents)	(0.07) cents	(0.02) cents
Loss from discontinuing operations, net of tax (US cents)	(0.02) cents	(1.29) cents
Based on weighted average number of issued shares of the Company	494,157,123 <sup>(2)</sup>	468,000,000 <sup>(1)</sup>

Note 1: This figure assume the full conversion of the outstanding Convertible Bonds. The 210,000,000 ordinary shares which may be issued from the Call Option (under the Subscription Agreement) and the 69,176,472 ordinary shares which may be issued pursuant to the JV Put and Call Options (under the JV Agreement) have been excluded from the calculation of diluted loss per share for the period ended 31 December 2015 as the Group incurred losses.

Note 2: The 642,750,000 Bonds with free detachable European Warrants which had been allotted and issued on 31 January 2017 pursuant to the Rights Issue and the 210,000,000 ordinary shares which may be issued pursuant to the Call Option (under the Subscription Agreement) have been excluded from the calculation of diluted loss per share for the year ended 31 December 2016 as the Group incurred losses and are anti-dilutive.

**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.**

	GROUP			COMPANY		
	As at 31/12/16	As at 31/12/15	As at 30/09/14	As at 31/12/16	As at 31/12/15	As at 30/09/14
Net asset value per ordinary share (US cents)	2.93 cents	5.00 cents	12.94 cents	2.64 cents	4.66 cents	12.95 cents
Based on number of issued shares of the Company	642,750,000	248,000,000	188,000,000	642,750,000	248,000,000	188,000,000

Note: The net asset value per ordinary share as at 31/12/16 is derived after including the 60,000,000 ordinary shares in the capital of the Company issued to Mr Sam Kok Yin on 10 December 2014, the aggregate 220,000,000 ordinary shares in the capital of the Company issued to Mr Sam Kok Yin and Mr Shi Jiangang on 24 March 2016 pursuant to the Subscription Agreement, the 57,150,000 ordinary shares in the capital of the Company issued to private investors pursuant to the Compliance Placement, and the 117,600,000 new shares in the capital of the Company issued to Mr Jiang Hao pursuant to the Acquisition, but without taking into account the additional shares that may be issued upon exercise of the Call Option under the Subscription Agreement.

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 ceased internal production in respect of the printing business on 31 December 2015. Starting from FY2016, any outstanding and new sales orders that have been or may be received in respect of the printing business has been outsourced to other printers to produce on behalf of the Group. Based on the requirements of FRS105, non-current assets held for sale and discontinued operations, all incomes and expenses relating to the printing business for FY2015 and FY2016 were classified as discontinued operations. In addition, all assets and liabilities relating to the printing business for FY2015 and FY2016 were classified as assets directly associated with discontinued operations and liabilities directly associated with discontinued operations respectively.

As the Group started the chemical trading business at end of FY2015, no revenues and US\$0.09 million costs and expenses from continuing operations were recorded for FY2015.

Subsequent to the cessation of internal production in respect of the printing business, the Group focused more of its resources and efforts on the chemical trading business. For FY2016, the Group recorded US\$110 million of revenue and a corresponding US\$104 million of cost of goods sold, mainly arising from the chemical trading business. Salaries and employees benefits of US\$1.4 million were incurred due to an increase in headcount as OSC Shanghai commenced operations in September 2016. Freight and handling charges of US\$1.4 million, operating lease expenses of US\$0.5 million, finance costs of US\$0.1 million and other expenses of US\$2.3 million were also incurred. Other expenses include bank charges, commission expenses, entertainment expenses, travelling expenses, legal and professional fees and exchange difference. A provision for taxation and tax expenses were recorded as the chemical trading business made profits for FY2016.

As a result of the Group ceasing internal production in respect of the printing business on 31 December 2015, a US\$0.1 million loss from discontinued operations was recorded for FY2016, compared to a US\$6.1 million loss from discontinued operations for FY2015.

During FY2016, the Group purchased US\$0.04 million of property, plant and equipment for its office in Japan. In line with the growth of the Group's chemical trading business, inventories, goods in transit, trade receivables, other receivables and deposits, prepayments relating to payments made to suppliers for the procurement of goods, advances from customers and trade payables increased. The Group also made some short term financial investments during the current financial year, resulting in an increase of US\$0.1 million in financial assets at fair value through profit or loss and an increase of US\$0.6 million in available for sale financial assets as at 31 December 2016.

Other payables and accruals increased by US\$1.6 million mainly due to the growth of the Group's chemical trading business, as well as due to salaries owing to the executive Directors for FY2016. Amounts due to Directors of US\$3.1 million relate to advances from the executive Directors during FY2016 for working capital usage in relation to the chemical trading business.

Assets directly associated with discontinued operations decreased by US\$3.1 million mainly due to repayment from customers relating to the printing business, the sale of paper inventories and printing machineries to third parties. Liabilities directly associated with discontinued operations reduced by US\$5.8 million mainly due to repayments made for debts incurred in relation to the printing business, ie. trade and other payables, amounts due to bankers, and amounts due to a shareholder.

For FY2016, cash and bank balances decreased mainly due to a net cash used in operations of US\$8.4 million. The decrease was partially offset with the increase in cash generated from

financing activities, mainly attributable to advances obtained from the executive Directors and proceeds received from the issuance of shares pursuant to the Compliance Placement.

During the current financial year, pursuant to the Subscription Agreement as defined in the Company's announcement dated 8 May 2014, the Company issued and allotted 220,000,000 ordinary shares in the capital of the Company to Mr Shi Jiengang and Mr Sam Kok Yin, following the automatic conversion of S\$11,000,000 outstanding Convertible Bonds due 2016.

On 17 June 2016, the Company also announced a placement of 57,150,000 new ordinary shares at the issue price of S\$0.07 per Placement Share to a few placees. Completion had taken place and the Placement Shares were issued and allotted on 19 July 2016.

In addition to the Compliance Placement, the Company had also announced that it had entered into an agreement to purchase the remaining 49% shares in OSC Singapore from Mr Jiang Hao. The consideration for the Sale Shares shall be satisfied on completion of the Acquisition by an issue and allotment to Mr Jiang Hao of an aggregate of 117,600,000 new shares in the Company. The Acquisition was completed and the Sale Shares were issued and allotted to Mr Jiang Hao on 30 December 2016.

As a result of the above corporate actions, the company's share capital has increased, whereas other equity instruments and Non-controlling interest has reduced.

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

The Group's performance for the financial year ended 31 December 2016 was consistent with the announcements made by the Company during the current financial year.

**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.**

**Chemical Business**

FY2016 was a transitional year for the Group's chemical trading business, conducted via our subsidiary, OSC Singapore, and its subsidiaries in the People's Republic of China and Japan (collectively the "OSC Group"). In the course of the year, we applied and obtained the relevant permits for our subsidiary in Shanghai ("OSC Shanghai") to commence business. OSC Shanghai commenced operations on 1 September 2016. On 5 August 2016, the Company announced the granting of trade facilities of up to S\$14,000,000 by an international bank to OSC Singapore.

For 2016, the OSC Group achieved revenue of US\$109,000,000, and profit after tax of US\$700,000. We expect revenue of the OSC Group for FY2017 to be higher as compared to FY2016 due to:

- full year contribution from OSC Shanghai;
- the availability of trade facilities; and
- the completion of the Compliance Placement and Rights Issue (both announced by the Company on 17 June 2016), which significantly improved the Company's cash flow position and allowed it to give financial support to OSC as and when deemed necessary.

**Investment Business**

As part of its investment business, the Group will make appropriate investments as and when good opportunities come along and where its cash flow position allows.

**Printing Business**

As previously announced, the Group has ceased internal production in respect of the printing business. Any outstanding and new sales orders that have been or may be received in respect of the printing business will be outsourced to other printers to produce on behalf of the Group. It is expected that revenue contribution from the printing business for FY2017 will be insignificant as compared to our other business segments.

**11. Dividend**

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

Any dividend declared for the current financial period reported on?

No

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable
Optional:- Dividend Rate (in %)	Not applicable
Par value of shares	Not applicable
Tax Rate	Not applicable

**(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	Not applicable
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable
Optional:- Dividend Rate (in %)	Not applicable
Par value of shares	Not applicable
Tax Rate	Not applicable

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the period ended 31 December 2016.



**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. **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.**

**Business segments**

	Continuing						Discontinued		Consolidated	
	Chemicals		Outsourced Printing		Investment		Printing			
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Segment revenues</b>										
<b>External revenue</b>	109,125	-	756	-	-	-	-	7,574	109,881	7,574
<b>Total revenue</b>	109,125	-	756	-	-	-	-	7,574	109,881	7,574
<b>Segment results</b>	1,066	(93)	(1,013)	-	7	-	(218)	(5,674)	(158)	(5,767)
Unallocated results									-	-
Loss from operating activities									(158)	(5,767)
Finance costs									(37)	(377)
<b>Loss before income tax</b>									(195)	(6,144)
Income tax									(242)	-
<b>Loss for the year</b>									(437)	(6,144)

## Geographical segments

	Continuing						Discontinued							
	China		Other Countries in Asia		Others		Asia Pacific		North America		Europe & Africa		Consolidated	
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Segment revenues</b>														
External revenue	90,478	-	10,737	-	8,666	-	-	3,801	-	556	-	3,217	109,881	7,574
<b>Total revenues</b>	90,478	-	10,737	-	8,666	-	-	3,801	-	556	-	3,217	109,881	7,574

**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Please refer to item 8.

**15. A breakdown of sales.**

<b>Group</b>	<b>12 month period from 01/1/16 to 31/12/16</b>	<b>12 month period from 01/1/15 to 31/12/15*</b>	<b>% Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	
Continuing and Discontinued			
(a) Sales reported for first 6 months (1 Jan – 30 Jun)	24,528	4,126	+494.5
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first 6 months (1 Jan – 30 Jun)	(30)	(1,650)	-98.2
(c) Sales reported for next 6 months (1 Jul – 31 Dec)	85,353	3,448	+2,375.4
(d) Operating profit/loss after tax before deducting non-controlling interests reported for next 9 months (1 Jul – 31 Dec)	(407)	(4,494)	-90.9

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

	<b>Latest Full Year (\$'000)</b>	<b>Previous Full Year (\$'000)</b>
Ordinary	-	-
Preference	-	-
Total:	-	-

17. 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 mandate has been obtained, a statement to that effect.

	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	FY 2016	FY 2016
	S\$'000	S\$'000
Kellin chemicals (zhangjiagang) co., ltd -Sales and purchases of chemicals		4,077
Jiangsu Feymer Technology Co., Ltd -Sales of chemicals		81
江苏富比亚化学品有限公司 -Sales of chemicals	203	

Note: Pursuant to Rule 909, the value of a transaction is the amount at risk to the issuer. Rule 909(1) states that in the case of a partly owned subsidiary or associated company, the value of the transaction is the issuer's effective interest in that transaction. As the Company held 51% of the OSC Group at the time the above transactions took place, the above figures took into account 51% of the actual amount of the relevant sale or purchase by the OSC Group.

18. Use of net proceeds from convertible bonds issue and placement issue

#### Compliance Placement

The Board wishes to refer to the Company's unaudited half year financial result announcement dated 8 August 2016 (the "**Half Year Announcement**") and the announcement dated 17 June 2016 (the "**17 June 2016 Announcement**") relating to the use of net proceeds raised from the Compliance Placement (as defined in the 17 June 2016 Announcement).

As stated in the Half Year Announcement, the Company had utilised S\$929,000 of the net proceeds from the Compliance Placement for the repayment of the Company's bank overdraft facility. The Board wishes to inform the shareholders that the balance of approximately S\$3,052,000 of the net proceeds from the Compliance Placement have been fully utilised as at the date hereof for the repayment of amounts incurred by the printing business. The utilisation of such proceeds is consistent with the intended use of proceeds disclosed in the 17 June 2016 Announcement.

#### Rights Issue

The Board also wishes to refer to the Company's announcement dated 31 January 2017 (the "**31 January 2017 Announcement**") relating to the use of net proceeds raised from the Rights Issue (as defined in the 17 June 2016 Announcement) which was completed on 2 February 2017.

As stated in the 31 January 2017 Announcement, the Company has raised net proceeds of S\$8,180,000 (after deducting estimated expenses of approximately S\$81,000 and the offset of approximately S\$2,030,000 as amounts owing to Mr Sam Kok Yin and Mr Shi Jiagang) for the repayment of amounts owing incurred by the printing business and working capital for its new chemical and investment related businesses and future acquisitions. As at the date of this

announcement, the Company has fully utilised the net proceeds. The following is the break down of the usage of net proceeds.

S/N	Use of Net Proceeds	Amount allocated		Amount Utilised		Balance
		%	(S\$'000)	%	(S\$'000)	(S\$'000)
1	Repayment of amounts owing incurred by the printing business	20% to 30%	1,636 to 2,454	23.1%	(1,887)	
2	Working capital for its new chemical and investment related businesses and future acquisitions	70% to 80%	5,726 to 6,544	76.9%	(6,293)	
<b>Net proceeds arising from the Rights Issue</b>			8,180		(8,180)	-

The utilisation of such proceeds is consistent with the intended use of proceeds disclosed in the 31 January 2017 Announcement.

#### 19. Interested Person Transactions (“IPTs”)

Please refer to Item 17.

#### 20. Confirmation pursuant to Rule 720(1) of the Catalist Rules

The Company confirms that it has procured undertakings from all its Directors and Executive Officers in compliance with Rule 720(1) of the Catalist Rules and according to the format set out in Appendix 7H of the Catalist Rules.

21. 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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current Position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Jiang Jie	45	Brother of Jiang Hao, a substantial shareholder	Director of Touen Japan Co. Ltd	Nil

#### BY ORDER OF THE BOARD

Sam Kok Yin  
Managing Director

28 February 2017

Note:

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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