

UNAUDITED RESULTS FOR THE FULL YEAR ENDED 31 DECEMBER 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	12 months to 31/12/2015	12 months to 31/12/2014 (Restated)	Change	3 months to 31/12/2015	3 months to 31/12/2014 (Restated)	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	646,959	806,303	(19.8)	157,742	182,709	(13.7)
Cost of sales	(585,622)	(755,044)	(22.4)	(148,443)	(172,937)	(14.2)
Gross profit	61,337	51,259	19.7	9,299	9,772	(4.9)
Gross profit margin %	9.5	6.4	3.1	5.9	5.3	0.6
Other operating income	2,709	4,556	(40.5)	939	1,044	(10.1)
Administrative expenses	(45,721)	(56,949)	(19.7)	(10,888)	(20,516)	(46.9)
Distribution cost	(25,198)	(27,107)	(7.0)	(7,189)	(7,093)	1.4
Other operating expenses	(8,178)	(12,149)	(32.7)	(6,243)	(9,573)	(34.8)
Share of profit/(loss) of associates	3,067	(5,238)	NM	854	1,197	(28.7)
Finance costs	(5,054)	(4,259)	18.7	(1,572)	(1,151)	36.6
Foreign currency exchange adjustment (loss)/gain	(6,107)	505	NM	1,967	1,530	28.6
Net (loss)/gain on financial derivatives	3,019	(3,190)	NM	(249)	(4,913)	(94.9)
Profit before income tax	(20,126)	(52,572)	(61.7)	(13,082)	(29,703)	(56.0)
Income tax expense	(2,460)	(1,770)	39.0	(1,788)	313	NM
Profit after income tax	(22,586)	(54,342)	(58.4)	(14,870)	(29,390)	(49.4)
Profit attributable to:						
Shareholders of the company	(18,983)	(40,581)	(53.2)	(11,089)	(20,955)	(47.1)
Non-controlling interests	(3,603)	(13,761)	(73.8)	(3,781)	(8,435)	(55.2)
	(22,586)	(54,342)	(58.4)	(14,870)	(29,390)	(49.4)

Notes:

	12 months to 31/12/2015	12 months to 31/12/2014	3 months to 31/12/2015	3 months to 31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
(a) <u>Adjusted loss before income tax (exclude FX)</u>	(14,019)	(53,077)	(15,049)	(31,233)
<u>Other disclosure items included in the above income statement:</u>				
1 Interest income	1,233	1,379	451	635
2 Interest on borrowings	(5,054)	(4,259)	(1,572)	(1,151)
3 Depreciation	(17,787)	(18,371)	(5,233)	(5,140)
4 Allowance for doubtful receivables	(2,595)	(5,235)	(2,711)	(5,254)
5 Gain on disposal of property, plant and equipment	169	68	72	14
6 Allowance for inventories	(511)	(272)	252	(110)
7 Provision for stock NRV	(1,767)	(3,135)	(1,767)	(3,135)
8 Inventories written off	(398)	(1,651)	(398)	(1,651)
9 Write off of doubtful receivable	-	-	-	10
10 Property, plant and equipment written off	(445)	(18)	(445)	(2)
11 Impairment loss on plantation assets	-	(4,350)	-	(4,350)
12 Impairment loss on club memberships	(85)	-	(85)	-
13 Loss on disposal of investment properties	(239)	-	(239)	-
14 Fair value loss on biological produce	(564)	(4,417)	(564)	(4,417)
(b) NM - not meaningful				

STATEMENTS OF COMPREHENSIVE INCOME

Group

Profit after income tax
Exchange differences on translation of foreign operations
Share of associate' other comprehensive income
Total comprehensive income, net of tax

12 months to 31/12/2015	12 months to 31/12/2014	3 months to 31/12/2015	3 months to 31/12/2014
S\$'000	S\$'000	S\$'000	S\$'000
(22,586)	(54,342)	(14,870)	(29,390)
(23,490)	(38,440)	(17,456)	(2,570)
3,634	(4,571)	3,634	(4,571)
<u>(42,442)</u>	<u>(97,353)</u>	<u>(28,692)</u>	<u>(36,531)</u>
<u>Total comprehensive income attributable to:</u>			
(37,945)	(81,326)	(24,277)	(27,892)
(4,497)	(16,027)	(4,415)	(8,063)
<u>(42,442)</u>	<u>(97,353)</u>	<u>(28,692)</u>	<u>(36,531)</u>

Total comprehensive income attributable to:

Shareholders of the company
Non-controlling interests

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

	Group			Company	
	31/12/2015	31/12/2014	31/12/2013	31/12/2015	31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)	(Restated)		
ASSETS					
Current assets					
Cash and cash equivalents	39,256	41,161	69,664	1,490	1,372
Pledged fixed deposits	4,563	7,589	7,289	-	-
Trade receivables	32,798	60,374	73,061	-	-
Other receivables	69,347	62,437	67,349	142,936	138,298
Current portion of loan receivables	5,413	5,624	83	8,357	5,624
Derivative financial instruments	149	3,824	1,867	149	3,774
Inventories	80,442	95,600	144,648	-	-
Total current assets	231,968	276,609	363,961	152,932	149,068
Non-current assets					
Investment in subsidiaries	-	-	-	356,896	356,896
Goodwill	11,124	11,464	11,694	-	-
Investments in associates	304,681	306,913	329,914	317,480	317,480
Investments –Available-for-sale	232	244	235	-	-
Plantation assets	328,002	292,501	276,013	-	-
Property, plant and equipment	117,648	121,421	109,221	2,991	4,153
Fair value of biological produce	2,372	2,936	7,353	-	-
Investment properties	15,234	16,514	14,880	-	-
Other receivables	4,716	4,900	5,367	11,882	14,992
Club memberships	555	640	640	555	640
Deferred tax assets	6,885	4,670	5,090	-	-
Total non-current assets	791,449	762,203	760,407	689,804	694,161
Total assets	1,023,417	1,038,812	1,124,368	842,736	843,229
LIABILITIES AND EQUITY					
Current liabilities					
Short term loans	133,880	100,028	105,942	19,575	13,189
Trade payables	23,346	24,122	36,889	-	-
Other payables	23,881	53,979	47,462	191,252	209,866
Current portion of long term loans	2,011	2,913	2,928	-	-
Current portion of finance leases	105	179	194	38	80
Derivative financial instruments	790	6,500	1,788	428	4,773
Income tax payable	2,072	1,702	2,047	6	6
Total current liabilities	186,085	189,423	197,250	211,299	227,914

Non-current liabilities

Long term loans

Finance leases

Deferred tax liabilities

Total non-current liabilities

Capital, reserves and non-controlling interests

Share capital

Treasury shares

Capital reserves

Currency translation reserve

Retained earnings

Equity attributable to owners of the company

Non-controlling interests

Total equity

Total liabilities and equity

Group			Company	
31/12/2015	31/12/2014	31/12/2013	31/12/2015	31/12/2014
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
	(Restated)	(Restated)		
74,433	42,622	16,203	-	-
76	278	451	63	214
9,165	9,311	9,677	2,139	2,139
83,674	52,211	26,331	2,202	2,353
611,330	611,330	611,330	611,330	611,330
(1,995)	(1,995)	(1,995)	(1,995)	(1,995)
9,238	9,238	9,238	-	-
(85,375)	(66,413)	(25,669)	-	-
186,908	205,891	254,133	19,900	3,627
720,106	758,051	847,037	629,235	612,962
33,552	39,127	53,750	-	-
753,658	797,178	900,787	629,235	612,962
1,023,417	1,038,812	1,124,368	842,736	843,229

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,116	133,880	3,092	100,028

Amount repayable after one year

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,366	72,143	4,747	38,153

Details of any collateral

The secured facilities of the Group, comprise term loans and finance leases. The finance leases are secured by certain fixed assets of subsidiaries and the Company with a total net book value of \$ 239,000 as at 31 December 2015 (31 December 2014: \$564,000). The term loans are secured by assets of two of the subsidiaries.

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

	Group		Group	
	12 months to 31/12/2015	12 months to 31/12/2014	3 months to 31/12/2015	3 months to 31/12/2014
	S\$'000	S\$'000	S\$'000	S\$'000
		Restated		Restated
Operating activities				
Profit before income tax	(20,126)	(52,572)	(13,082)	(29,703)
Adjustments for:				
Depreciation expenses	17,787	18,371	5,233	5,140
Fair value loss/(gain) of financial derivatives	697	2,649	1,225	2,471
Interest income	(1,233)	(1,379)	(451)	(635)
Interest expense	5,054	4,259	1,572	1,151
Allowance for inventories	511	272	(252)	110
Provision for stock NRV	1,767	3,135	1,767	3,135
Inventories written off	398	1,651	398	1,651
Allowance for doubtful receivables	2,595	5,235	2,711	5,254
Bad debt written off	-	-	-	(10)
Loss on disposal of investment properties	239	-	239	-
Gain on disposal of property, plant and equipment	(169)	(68)	(72)	(14)
Property, plant and equipment written off	445	18	445	2
Impairment loss on biological assets	-	4,350	-	4,350
Impairment loss of other assets	85	-	85	-
Fair value loss on plantation assets	564	4,417	564	4,417
Share of loss/(profit) of associates	(3,067)	5,238	(854)	(1,197)
Operating cash flows before movements in working capital	5,547	(4,424)	(472)	(3,878)
Trade receivables	26,923	12,111	20,797	(1,647)
Other receivables	(11,224)	(3,887)	1,648	3,987
Inventories	12,209	42,676	7,299	12,179
Trade payables	(981)	(12,233)	(7,624)	(485)
Other payables	(27,252)	4,732	(11,912)	4,650
Cash flows from operations	5,222	38,975	9,736	14,806
Interest income	1,233	1,379	451	635
Interest paid	(6,234)	(3,037)	(3,263)	(349)
Income tax paid	(3,952)	(2,308)	(2,799)	(510)
Net cash generated from/(used in) operating activities	(3,731)	35,009	4,125	14,582
Investing activities				
Dividend received from associate	-	-	-	-
Loan to an associate	-	(5,815)	-	-
Proceeds from sale of property, plant and equipment	1,086	126	793	41
Purchase of plantation assets, property, plant and equipment	(60,340)	(65,989)	(20,974)	(17,181)
Purchase of investment properties	-	-	-	-
Proceeds from sale of investment properties	-	-	-	-
Proceeds of held-to-maturity investment	-	-	-	-
Net cash used in investing activities	(59,254)	(71,678)	(20,181)	(17,140)



Financing activities

- Proceeds from long term bank loans
- Repayment of long-term bank loans
- Proceeds from short term loans
- Repayment of short term loans
- Repayment of finance leases
- Dividends paid
- Dividends paid to non-controlling interest of subsidiary
- Capital contribution by non-controlling interest
- Movements in pledged fixed deposits

Net cash generated from/(used in) financing activities

Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at the beginning of period

Effect of exchange rate changes on the balance sheet of cash and cash equivalent held in foreign currencies

Cash and cash equivalents at the end of period

Group		Group	
12 months to 31/12/2015	12 months to 31/12/2014	3 months to 31/12/2015	3 months to 31/12/2014
S\$'000	S\$'000	S\$'000	S\$'000
35,370	30,625	(1,035)	12,085
(2,804)	(4,221)	79	(121)
119,317	151,036	786	22,392
(92,632)	(156,950)	445	(72,266)
(270)	(200)	(35)	(51)
-	(7,660)	-	-
(1,078)	(1,251)	-	-
-	2,655	-	-
3,026	(299)	66	(37)
60,929	13,735	306	(37,998)
(2,056)	(22,934)	(15,750)	(40,556)
41,161	69,664	62,041	84,840
151	(5,569)	(7,035)	(3,123)
39,256	41,161	39,256	41,161

Note:

Cash and cash equivalents consist of:

Cash and bank balances
Fixed deposits
Less: pledged deposits
Bank Overdrafts

S\$'000	S\$'000	S\$'000	S\$'000
45,937	41,278	45,937	41,278
6,316	19,319	6,316	19,319
(4,563)	(7,589)	(4,563)	(7,589)
(8,434)	(11,847)	(8,434)	(11,847)
39,256	41,161	39,256	41,161

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.

Group

	Share capital S\$'000	Treasury shares S\$'000	Capital reserves S\$'000	Currency translation reserve S\$'000	Retained Earnings S\$'000	Attributable to owners of the company S\$'000	Non-controlling interests S\$'000	Total Equity S\$'000
Balance at 1 January 2015 as restated	611,330	(1,995)	9,238	(66,413)	205,891	758,051	39,127	797,178
Total comprehensive income for the period	-	-	-	(18,962)	(18,983)	(37,945)	(4,497)	(42,442)
Dividend paid	-	-	-	-	-	-	(1,078)	(1,078)
Balance at 31 December 2015	611,330	(1,995)	9,238	(85,375)	186,908	720,106	33,552	753,658
Balance at 1 January 2014 as previously stated	611,330	(1,995)	9,238	(25,669)	244,570	837,474	52,739	890,213
Effects of adopting amendments to FRS 41	-	-	-	-	9,563	9,563	1,011	10,574
Balance at 1 January 2014 as restated	611,330	(1,995)	9,238	(25,669)	254,133	847,037	53,750	900,787
Effects of adopting amendments to FRS 41	-	-	-	-	(5,520)	(5,520)	(576)	(6,096)
Total comprehensive income for the period	-	-	-	(40,744)	(35,062)	(75,806)	(15,451)	(91,257)
Dividend paid	-	-	-	-	(7,660)	(7,660)	(1,251)	(8,911)
Issue of shares to non-controlling interests of a subsidiary	-	-	-	-	-	-	2,655	2,655
Balance at 31 December 2014 as restated	611,330	(1,995)	9,238	(66,413)	205,891	758,051	39,127	797,178

Group

Balance at 1 October 2015 as previously stated

Effects of adopting amendments to FRS 41

Balance at 1 October 2015 as restated

Total comprehensive income for the period

Balance at 31 December 2015

Balance at 1 October 2014 as previously stated

Effects of adopting amendments to FRS 41

Balance at 1 October 2014 as restated

Effects of adopting amendments to FRS 41

Total comprehensive income for the period

Balance at 31 December 2014 as restated

Share capital	Treasury shares	Capital reserves	Currency translation reserve	Retained Earnings	Attributable to owners of the company	Non-controlling interests	Total Equity
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
611,330	(1,995)	9,238	(72,187)	193,954	740,340	37,532	777,872
				4,043	4,043	435	4,478
611,330	(1,995)	9,238	(72,187)	197,997	744,383	37,967	782,350
-	-	-	(13,188)	(11,089)	(24,277)	(4,415)	(28,692)
611,330	(1,995)	9,238	(85,375)	186,908	720,106	33,552	753,658
611,330	(1,995)	9,238	(59,477)	217,284	776,380	46,755	823,135
				9,563	9,563	1,011	10,574
611,330	(1,995)	9,238	(59,477)	226,847	785,943	47,766	833,709
				(5,520)	(5,520)	(576)	(6,096)
-	-	-	(6,936)	(15,436)	(22,372)	(8,063)	(30,435)
611,330	(1,995)	9,238	(66,413)	205,891	758,051	39,127	797,178

Company

Balance at 1 January 2015
Total comprehensive income for the period
Dividend paid
Balance at 31 December 2015

Balance at 1 January 2014
Total comprehensive income for the period
Dividend paid
Balance at 31 December 2014

Share capital	Treasury shares	Retained Earnings	Total
S\$'000	S\$'000	S\$'000	S\$'000
611,330	(1,995)	4,946	614,281
-	-	14,954	14,954
-	-	-	-
611,330	(1,995)	19,900	629,235
611,330	(1,995)	12,206	621,541
-	-	(919)	(919)
-	-	(7,660)	(7,660)
611,330	(1,995)	3,627	612,962

Company

Balance at 1 October 2015
Total comprehensive income for the period
Balance at 31 December 2015

Balance at 1 October 2014
Total comprehensive income for the period
Balance at 31 December 2014

Share capital	Treasury shares	Retained Earnings	Total
S\$'000	S\$'000	S\$'000	S\$'000
611,330	(1,995)	21,208	630,543
-	-	(1,308)	(1,308)
611,330	(1,995)	19,900	629,235
611,330	(1,995)	2,649	611,984
-	-	978	978
611,330	(1,995)	3,627	612,962

- 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 has been no change in the Company's issued share capital.

	Group		Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Total number of issued shares including treasury shares	767,584,877	7,675,848,772	767,584,877	7,675,848,772
Total number of treasury shares	1,565,000	15,650,000	1,565,000	15,650,000

- (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.

	Group		Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Total number of issued shares excluding treasury shares	766,019,877	7,660,198,772	766,019,877	7,660,198,772

- (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.

	Group	Company
	31/12/2015	31/12/2015
Total number of treasury shares at the beginning and end of the period	1,565,000	15,650,000

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

The figures had not been audited or reviewed by our 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 same accounting policies and methods of computation as in the Group and Company's audited financial statements for the year ended 31 December 2014 have been applied except for the following:

In financial period ended 31 Dec 2015, the Group and Company had early adopted Agriculture: Bearer Plants (Amendments to FRS 16 and FRS 41), issued in October 2014, amended paragraphs 1-5, 8, 24 and 44 and added paragraphs 5A-5C and 63.

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.

The same accounting policies and methods of computation as in the Group and Company's audited financial statements for the year ended 31 December 2014 have been applied except for the following:

Under Agriculture (FRS 41), the Group and Company's plantations assets comprise of freehold land, land use rights, mature rubber tree plantations and plantation establishment costs (collectively known as "biological assets") and are measured at cost less any accumulated depreciation and any impairment losses since market-determined prices or values are not available and alternative estimates of fair value are determined to be unreliable.

In financial period ended 31 Dec 2015, the Group and Company had early adopted Agriculture: Bearer Plants (Amendments to FRS 16 and FRS 41), issued in October 2014, amended paragraphs 1-5, 8, 24 and 44 and added paragraphs 5A-5C and 63.

Plantation assets previously covered under Agriculture: FRS 41 shall be classified under bearer plants under Property, Plant and Equipment (FRS 16) and continue to be recorded at cost.

Agricultural produce, which is the harvested produce of the Group's biological assets, are measured at fair value less the costs to sell at the reporting date.

In accordance with FRS 8, paragraph 28 disclosure:

- Agriculture: Bearer Plants (Amendments to FRS 16 and FRS 41);
- the change in accounting policy is made in accordance with Agriculture: Bearer Plants (Amendments to FRS 16 and FRS 41), issued in October 2014, amended paragraphs 1-5, 8, 24 and 44 and added paragraphs 5A-5C and 63.
- Latex and harvested cuplumps are considered as agriculture produce, measured at fair value less costs to sell at the reporting date.
- Amount of adjustments relating to current and prior periods restatements:

	12 months to 31/12/2015 (S\$ mil)	12 months to 31/12/2014 (Restated) (S\$ mil)	12 months to 31/12/2013 (Restated) (S\$ mil)
Increase/ (decrease) in fair value of biological produce in Profit and Loss	(0.6)	(4.4)	NA
	31/12/2015 (S\$ mil)	31/12/2014 (S\$ mil)	31/01/2013 (S\$ mil)
Fair value of biological produce in Balance Sheet	2.4	3.0	7.4
Increase/ (decrease) in retained earnings in balance sheet	NA	(3.8)	6.4
Increase/ (decrease) in NCI in balance sheet	NA	(0.6)	1.0

Without the prior year adjustments, the early adoption of FRS41 in FY 2015 improved retained earnings by S\$ 2.4 mil of which S\$2.1 mil would be attributable to the shareholders and S\$ 0.3 mil to the non controlling interests.

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			
	12 months to 31/12/2015	12 months to 31/12/2014	3 months to 31/12/2015	3 months to 31/12/2014
Earnings per ordinary share:				
- Based on the weighted average number of ordinary shares in issue	(2.48) cents	(5.30) cents	(1.45) cents	(2.74) cents
- On a fully diluted basis	(2.48) cents	(5.30) cents	(1.45) cents	(2.74) cents
Weighted average number of ordinary shares in issue	766,019,877	766,019,877	766,019,877	766,019,877

The Company proposed a share consolidation of every ten existing issued ordinary shares into one consolidated share which was approved by the Shareholders at the Annual General Meeting on 23 April 2015, and the share consolidation became effective on 18 May 2015. The weighted number of ordinary shares used for the calculation of earnings per share for the comparatives had been adjusted for the effect of the share consolidation.

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:-

- current financial period reported on; and
- immediately preceding financial year.

	Group		Company	
	31/12/2015	31/12/2014 Restated	31/12/2015	31/12/2014
Net asset value per ordinary share based on issued share capital	94.01 cents	98.96 cents	82.14 cents	80.02 cents

Equity attributable to owners of the company (S\$'000)	720,106	758,051	629,235	612,962
Total number of issued shares excluding treasury shares	766,019,877	766,019,877	766,019,877	766,019,877

The Company proposed a share consolidation of every ten existing issued ordinary shares into one consolidated share which was approved by the Shareholders at the Annual General Meeting on 23 April 2015, and the share consolidation became effective on 18 May 2015. The number of issued shares used for the calculation of net asset value per ordinary share as at the end of the immediately preceding financial year had been adjusted for the effect of the share consolidation.

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.

8.1 Commentary on income statement for the 12 months ended 31 December 2015 ("FY2015")

The Group registered a net loss of S\$22.6 mil in FY2015, as compared to a restated loss of S\$54.3 mil in FY 2014.

Previously audited FY 2014 loss was S\$ 48.3 mil, which was restated due to adoption of Agriculture: Bearer Plants (Amendments to FRS 41) in the Group and associate. The impairment assessed for biological produce was S\$4.4 mil in FY2014 compared to S\$0.6mil in FY 2015 for the Group. The impairment assessed for biological produce was S\$1.7 mil in FY2014 compared to S\$0.6mil in FY 2015 for Group's share of associate.

The improved financial performance in FY 2015 compared to FY 2014 was primarily due to higher gross profit as a result of higher sales premium, better raw material procurement, lower processing cost and overall cost management. SIAT turnaround profit in 2015 compared to losses in 2014 also contributed to the improvement in the Group's results.

a. Revenue

	<u>Q1</u> <u>2015</u>	<u>Q2</u> <u>2015</u>	<u>Q3</u> <u>2015</u>	<u>Q4</u> <u>2015</u>	<u>FY</u> <u>2015</u>	<u>Q1 2014</u> <u>(Restated)</u>	<u>Q2 2014</u> <u>(Restated)</u>	<u>Q3</u> <u>2014</u>	<u>Q4</u> <u>2014</u>	<u>FY</u> <u>2014</u>
Turnover (S\$ mil)	150.8	165.3	173.2	157.7	647.0	225.0	217.2	181.4	182.7	806.3
Tonnage sold (MT)	73,860	84,140	81,751	85,888	325,639	78,673	90,286	82,959	86,041	337,959
Average selling price/ton (S\$/MT)	2,041	1,965	2,118	1,836	1,987	2,860	2,406	2,187	2,123	2,386
Average exchange rate US\$ to S\$	1.3481	1.3392	1.3822	1.4076	1.3693	1.2746	1.2394	1.2478	1.2930	1.2637

Revenue for the quarter ended 31 December 2015 (Q4 2015) was S\$157.7 mil (85,888 tons), a decrease of S\$25.0 mil compared with S\$182.7 mil (86,041 tons) for the corresponding quarter ended 31 December 2014 ("Q4 2014"). In FY2015, revenue was S\$647.0 mil with 325,639 tons sold compared with S\$806.3 mil with 337,959 tons sold in FY2014.

The decrease in revenue was mainly due to lower rubber selling prices which declined from S\$2,386 per ton in FY2014 to S\$1,987 per ton in FY2015. Lower sales tonnage also contributed to the decrease in revenue due to challenging operating environment. The decrease was partially offset by the favourable exchange translation rate. Foreign currency translation favourably impacted sales due to the appreciation of United States Dollars against Singapore Dollars (Group's reporting currency) during the period from 2014 US\$ / S\$ rate of 1.2637 to 2015 US\$ / S\$ rate of 1.3693.

b. Cost of sales

Cost of sales for Q4 2015 was S\$148.4 mil (85,888 tons sold) compared with S\$172.9 mil for Q4 2014 (86,041 tons sold).

Cost of sales for FY2015 was S\$585.6 mil (325,639 tons sold) compared with S\$755.0 mil for FY2014 (337,959 tons sold).

The decrease in cost of sales was due largely to the lower prices paid for external purchases of raw materials which moved in tandem with selling prices which had decreased by approximately 22.4% compared with FY2014.

c. Gross profit

Although lower revenue was recorded, the gross profit margin had improved and was higher at 9.5% in FY2015 as compared with 6.4% in FY2014. The Group's factories were generating improved gross profit margin mainly due higher sales premium, better raw material procurement and processing cost management. Additional, there was a favorable margin impact from weakening Singapore dollars (Group's reporting currency) and Euro against the United States Dollar.

d. Administrative expenses

The decrease in administrative expenses from S\$56.9 mil in FY2014 to S\$45.7 mil in FY2015 was mainly due to the result of strict cost control measures introduced from the beginning of the year.

e. Distribution expenses

The reduction in distribution expense from S\$27.1 mil in FY 2014 compared with S\$25.1 mil for FY2015 was mainly due to the lower sales tonnages sold.

f. Other operating expenses

There was a decrease in other operating expenses from S\$12.1 mil in FY2014 to S\$8.1 mil in FY2015 largely due lower export tax incurred by Group's Cote D'Ivoire subsidiaries as a result of falling natural rubber prices. Impairment loss in biological produce amounted \$0.6 mil in FY 15 compared to S\$4.4 mil in FY14.

g. Share of associates' profit

Share of associates' results in FY2015 was S\$3.1 mil compared with a loss of S\$5.2 mil in FY2014. SIAT SA achieved turnaround results as compared to the previous year loss due to better performance in both the palm oil and rubber segments.

Share of associates' results	FY 2015 (S\$ mil)	FY 2014 (S\$ mil)	Variance (S\$ mil)
Profit before impairment loss from biological assets	5.5	(0.1)	5.4
Share of associate's impairment loss from biological produce	(0.6)	(1.7)	1.1
Tax expenses	(1.8)	(3.4)	1.6
Profit After Tax	3.1	(5.2)	NM

h. Finance costs

Finance costs in FY2015 were S\$5.1 mil compared with S\$4.3 mil in FY2014. The increase in finance costs was mainly due to additional loans obtained from banks for working capital purposes.

i. Foreign Exchange Gain/(Loss)

	<u>Q1 2015</u>	<u>Q2 2015</u>	<u>Q3 2015</u>	<u>Q4 2015</u>	<u>FY 2015</u>	<u>Q1 2014</u>	<u>Q2 2014</u>	<u>Q3 2014</u>	<u>Q4 2014</u>	<u>FY 2014</u>
	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Realised exchange (loss)/ gain	3.1	(1.6)	(0.1)	0.6	2.0	(2.1)	(1.6)	(1.9)	1.6	(4.0)
Unrealised exchange (loss)/ gain	(4.9)	(2.4)	(2.2)	1.4	(8.1)	5.2	(2.0)	1.4	(0.1)	4.5
Total	(1.8)	(4.0)	(2.3)	2.0	(6.1)	3.1	(3.6)	(0.5)	1.5	0.5

Exchange rates*	As at 31 Mar 2015	As at 30 Jun 2015	As at 30 Sept 2015	As at 31 Dec 2015	As at 31 Dec 2013	As at 31 Mar 2014	As at 30 Jun 2014	As at 30 Sept 2014	As at 31 Dec 2014
USD/IDR	12,940	13,345	14,728	13,796	12,194	11,357	12,027	11,960	12,445
Euro/USD	1.0937	1.1229	1.1181	1.0926	1.3809	1.3837	1.3603	1.2778	1.2184
USD/SGD	1.3613	1.3384	1.4228	1.4155	1.2743	1.2585	1.2356	1.2691	1.3189
SGD/Baht	0.0423	0.0423	0.0393	0.0392	0.03865	0.03911	0.03854	0.03929	0.04067

*Based on the Group's in-house rate according to Bank of China.

The Group registered a higher unrealized foreign exchange loss of S\$8.1 mil in FY 2015 mainly due to depreciation of Euro against USD and depreciation of SGD against USD. Outstanding sale advances given to subsidiaries were mainly Euro denominated while bank loans undertaken by Group were USD demoniated.

j. Net gain on financial derivatives

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	FY 2015	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014
	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil	S\$ mil
Realised derivatives (loss)/ gain	2.5	(1.2)	1.4	1.0	3.7	5.0	(2.4)	(0.7)	(2.4)	(0.5)
Unrealised derivatives (loss)/ gain	(0.3)	0.3	0.5	(1.2)	(0.7)	(1.5)	0.8	0.5	(2.5)	(2.7)
Total	2.2	(0.9)	1.9	(0.2)	3.0	3.5	(1.6)	(0.2)	(4.9)	(3.2)

In FY2015, realized gain from rubber hedging amounted to S\$1.9 mil and realized gain from foreign exchange hedging amounted S\$1.8 mil. Unrealized fair value loss from rubber hedging and foreign exchange hedging amounted to S\$0.3 mil and S\$0.4 mil respectively in FY2015. Both rubber and foreign exchange hedging were undertaken to hedge against volatility and fluctuations of natural rubber prices and foreign currencies.

k. Income tax expense

Net income tax expense in FY2015 was S\$2.5 mil compared with S\$1.8 mil in FY2014 mainly due to additional taxes assessed for previous years in Africa subsidiaries from local tax authorities. Deferred tax credits amounting S\$1.9 mil were recognized for loss making subsidiaries in FY2015.

8.2 Commentary on Cash Flow Statement

In FY2015, the Group recorded a negative operating cash outflow of S\$3.7 mil mainly due to lower sales advances received from customers at December 2015 and advances given to suppliers. In FY2014, the Group had a positive operating cash inflow of S\$35.0 mil due to lower inventory on hand and sales advances received at year end.

The Group recorded a cash outflow from investing activities of S\$59.2 mil mainly due to continued investment and expansion of the Group's processing capacity and plantation areas.

Financing activities recorded a cash inflow of S\$60.9 mil during FY2015 due to higher bank borrowings undertaken to finance its new plantations and working capital.

8.3 Commentary on Balance Sheet as at 31 December 2015

Assets

The Group's total assets decreased by S\$15.4 mil from S\$1,038.8 mil as at 31 December 2014 to S\$1,023.4 mil as at 31 December 2015. The decrease was mainly contributed by trade receivables, inventories, derivative financial instruments, inventories and property plant and equipment, offset by increases in other receivables, plantation assets and deferred tax assets.

Trade receivables decreased by S\$27.6 mil to S\$32.8 mil in line with lower revenue as a result of lower selling prices and sale tonnages.

Inventories decreased by S\$15.2 mil to S\$80.4 mil due to lower stock on hand and lower rubber prices.

Other receivables and prepayments increased by S\$6.9 mil to S\$69.3 mil mainly due to advances given to suppliers to purchase raw materials, machinery equipment and spare parts.

Plantation assets had increased by S\$35.5 mil to S\$328.0 mil mainly due to the investments in plantation. In FY2015, the Group and Company had early adopted Agriculture: Bearer Plants (Amendments to FRS 16 and FRS 41), hence biological produce (latex and cuplumps) were measured at fair value less costs to sell at point of harvest. The fair value for biological produce as at 31 Dec 2015 was S\$ 2.4 mil and S\$3.0 mil as at 31 Dec 2014.

Liabilities

The Group's total liabilities increased by S\$28.2 mil from S\$241.6 mil as at 31 December 2014 to S\$269.8 mil as at 31 December 2015. The increase was mainly due to additional borrowings for working capital purposes and for investment in plantation assets.

Equity

The financial position of the Group as at 31 December 2015 is summarized below:

	31 December 2015	31 December 2014
Net asset per share	94.01 cents	98.96 cents
Total loans	S\$210.5 mil	S\$146.0 mil
Equity attributable to the owners of the company	S\$720.1 mil	S\$758.1 mil
Debt: Equity ratio	0.29	0.19

Retained earnings as at 31 Dec 2013 and 31 Dec 2014 were restated due to early adoption of Agriculture: Bearer Plants (Amendments to FRS 16 and FRS 41). There were positive restatements to retained earnings from the fair valuation of biological produce:

	As at 31 December 2014 (S\$ mil)	As at 31 December 2013 (S\$ mil)
Retained earnings balance, previously stated	201.9	244.6
Gain/ (loss) in fair value of biological produce	2.4	6.3
Share of associate's gain/ (loss) in fair value of biological produce	1.6	3.2
Retained earnings balance, restated	205.9	254.1

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

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group's performance is highly dependent on the price of natural rubber which was averaging US\$1,172 per ton (S\$1,659 per ton) in December 2015 and the fluctuations of foreign currencies namely Euro, United States Dollars, Thai Baht and Indonesia Rupiah. Barring unforeseen circumstances, we expect rubber prices for 2016 to remain range-bound at current levels.

We will continue to focus on increasing sales, managing our operating costs and optimising our production to improve our operating performance. At the same time, the Group continues to strengthen and enhance risk management in order to minimise the exposure to foreign exchange and commodity price risks. We will continue to invest in our plantation assets as an integrated operator. In FY2015, we have invested in 4,201 hectares of new planting and replanting.

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

None.

(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. INTERESTED PERSON TRANSACTIONS

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$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)			
	12 months ended	12 months ended	3 months ended	3 months ended	12 months ended	12 months ended	3 months ended	3 months ended
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sinochem Group	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
(A) Sinochem International (Overseas) Pte Ltd								
Sale of Goods	-	-	-	-	193,188	320,524	25,401	70,586
(B) Sinochem Plastics Co., Ltd								
Sale of Goods	-	-	-	-	524	15,074	-	4,730
(C) Euroma Rubber Ind. Sdn Bhd								
Sale of Goods	-	-	-	-	3,498	265	650	132
PT Asuransi Rama Satria Wibawa								
Insurance expense	64	139	15	30	-	-	-	-

14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Segment information is specifically focused on the geographical location of the subsidiaries. The Group's reportable segments under are as follows:

- Cameroon
- Cote d'Ivoire
- Democratic Republic of Congo (DR Congo)
- Indonesia
- Thailand
- Singapore

Cameroon, Cote d'Ivoire, DR Congo, Indonesia and Thailand are mainly engaged in growing, tapping and processing of natural rubber. Singapore is engaged in marketing of natural rubber.

Information regarding the Group's reportable segments is presented below.

	Cameroon \$'000	Cote d'Ivoire \$'000	DR Congo \$'000	Indonesia \$'000	Thailand \$'000	Singapore \$'000	Total \$'000	Elimination \$'000	Net \$'000
Group									
Year ended December 31, 2015									
<u>Revenue</u>									
Revenue from external customers	-	-	-	-	254,354	392,605	646,959	-	646,959
Inter-segment revenues	38,356	98,237	3,749	47,803	79,450	-	267,595	(267,595)	-
	38,356	98,237	3,749	47,803	333,804	392,605	914,554	(267,595)	646,959

<u>Results</u>									
Segment results (clarify nature)	381	12,251	561	2,907	24,865	20,076	61,041	296	61,337
Share of loss of associates									3,067
Unallocated corporate expense									(80,709)
Interest income									1,233
Interest expense									(5,054)
Loss before tax									(20,126)
Income tax expense									(2,460)
Loss for the year									(22,586)

	Cameroon \$'000	Cote d'Ivoire \$'000	DR Congo \$'000	Indonesia \$'000	Thailand \$'000	Singapore \$'000	Total \$'000	Elimination \$'000	Net \$'000
Group									
Year ended December 31, 2014									
<u>Revenue</u>									
Revenue from external customers	-	-	-	-	231,833	574,470	806,303	-	806,303
Inter-segment revenues	56,377	132,397	6,433	87,060	176,242	-	458,509	(459,509)	-
	56,377	132,397	6,433	87,060	408,075	574,470	1,264,812	(459,509)	806,303

<u>Results</u>									
Segment results	2,376	6,832	(1,483)	(3,784)	20,041	26,637	50,619	640	51,259
Share of profit of associates									(5,238)
Unallocated corporate expense									(95,713)
Interest income									1,379
Interest expense									(4,259)
Profit before tax									(52,572)
Income tax expense									(1,770)
Profit for the year									(54,342)

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

The decrease in revenue across most geographical segments was the result of fall in rubber prices. The decrease in profits was generally in line with the decrease in revenue and a write down of inventory to net realisable value.

16. A breakdown of sales.

	Group		
	12 months to 31/12/2015	12 months to 31/12/2014 (Restated)	change
	S\$' 000	S\$' 000	%
(a) Sales reported for first half year	316,063	442,173	(28.5)
(b) Operating (loss)/profit after tax before deducting minority interests reported for first half year	(5,167)	(14,767)	65.0
(c) Sales reported for second half year	330,896	364,130	(9.1)
(d) Operating (loss)/profit after tax before deducting minority interests reported for second half year	(13,816)	(25,814)	46.4

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

Total Annual Dividend

	12 months to 31/12/2015	12 months to 31/12/2014
	S\$	S\$
Ordinary	-	-
Preference	-	-
Total:	-	-

18. 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 or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issue must make an appropriate negative statement.

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

BY ORDER OF THE BOARD

Alan Wong
Chief Financial Officer
26 February 2016