



**UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2017**

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

**1a An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

<b>Group</b>	<b>Three</b>	<b>Three</b>	<b>Increase</b>	<b>Six</b>	<b>Six</b>	<b>Increase</b>
	<b>months</b>	<b>months</b>		<b>months</b>	<b>months</b>	
	<b>ended</b>	<b>ended</b>	<b>/(decrease)</b>	<b>ended</b>	<b>ended</b>	<b>/(decrease)</b>
	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>		<b>30 Jun 2017</b>	<b>30 Jun 2016</b>	
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
Revenue	594,062	292,311	103	1,206,291	519,365	132
Cost of sales	(577,350)	(290,297)	99	(1,173,711)	(516,199)	127
<b>Gross profit</b>	<b>16,712</b>	<b>2,014</b>	<b>730</b>	<b>32,580</b>	<b>3,166</b>	<b>929</b>
Other operating income	610	4	15,150	1,017	14	7,164
Selling and distribution expenses	(9,754)	-	N.M	(19,321)	-	N.M
Administrative expenses	(1,813)	(1,938)	(6)	(3,280)	(3,779)	(13)
Other operating expenses	(335)	(171)	96	(650)	(179)	263
Finance expenses	(791)	(195)	306	(1,410)	(308)	358
Share of results of associates	160	-	N.M	160	-	N.M
Share of results of joint venture	(415)	(42)	888	141	-	N.M
<b>Profit/(loss) before income tax</b>	<b>4,374</b>	<b>(328)</b>	<b>N.M</b>	<b>9,237</b>	<b>(1,086)</b>	<b>N.M</b>
Income tax expense	(843)	-	N.M	(1,003)	-	N.M
<b>Profit/(loss) for the period</b>	<b>3,531</b>	<b>(328)</b>	<b>N.M</b>	<b>8,234</b>	<b>(1,086)</b>	<b>N.M</b>
<b>Other comprehensive income:</b>						
<b>Item that may be reclassified</b>						
<b>subsequently to profit or loss</b>						
Exchange differences on translating foreign operations	1,741	-	N.M	1,798	-	N.M
<b>Other comprehensive income for the period</b>	<b>1,741</b>	<b>-</b>	<b>N.M</b>	<b>1,798</b>	<b>-</b>	<b>N.M</b>
<b>Total comprehensive income/(loss) for the period</b>	<b>5,272</b>	<b>(328)</b>	<b>N.M</b>	<b>10,032</b>	<b>(1,086)</b>	<b>N.M</b>
<b>Profit/(loss) attributable to:</b>						
Owners of the Company	3,227	(328)	N.M	7,624	(1,086)	N.M
Non-controlling interests	304	-	N.M	610	-	N.M
<b>Profit/(loss) for the period</b>	<b>3,531</b>	<b>(328)</b>	<b>N.M</b>	<b>8,234</b>	<b>(1,086)</b>	<b>N.M</b>
<b>Total comprehensive income/(loss) attributable to:</b>						
Owners of the Company	4,114	(328)	N.M	8,541	(1,086)	N.M
Non-controlling interests	1,158	-	N.M	1,491	-	N.M
<b>Total comprehensive income/(loss) for the period</b>	<b>5,272</b>	<b>(328)</b>	<b>N.M</b>	<b>10,032</b>	<b>(1,086)</b>	<b>N.M</b>

The Group's profit/(loss) before income tax is arrived at after charging / (crediting):

<u>Group</u>	Three	Three	Increase	Six	Six	Increase
	months	months		months	months	
	ended	ended	/(decrease)	ended	ended	/(decrease)
	30 Jun 2017	30 Jun 2016		30 Jun 2017	30 Jun 2016	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Government credit	(5)	(2)	150	(10)	(11)	(9)
Loss on disposal of property, plant and equipment	73	-	N.M	97	-	N.M
Interest income	(71)	(2)	3,450	(118)	(3)	3,833
Depreciation and amortisation	1,072	41	2,515	2,127	80	2,559
Directors' fees	53	55	(4)	106	108	(2)
Finance expenses	791	195	306	1,410	308	358
Professional fees	447	134	234	750	232	223
Rental expenses	688	283	143	1,360	556	145
Staff costs (including key management personnel compensation)	6,234	1,068	484	11,700	2,058	469
Travelling expenses	194	144	35	412	309	33

**N.M : Not Meaningful**

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

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>ASSETS</b>				
<b>Non-current assets:</b>				
Property, plant and equipment	39,086	37,602	-	-
Intangible assets	8,500	8,522	-	1
Investments in subsidiaries	-	-	48,660	48,660
Investments in associates	9,798	9,137	-	-
Investments in joint ventures	39,068	38,298	-	-
Available-for-sale financial assets	4	4	-	-
Other receivables	289	284	-	-
<b>Total non-current assets</b>	<b>96,745</b>	<b>93,847</b>	<b>48,660</b>	<b>48,661</b>
<b>Current assets:</b>				
Inventories	39,334	41,694	-	-
Trade and other receivables	324,818	292,778	29	52
Derivative financial assets	652	461	-	-
Amounts due from subsidiaries	-	-	143,844	144,137
Amounts due from related companies	9,424	4,604	-	-
Tax recoverable	2,246	1,712	-	-
Cash and cash equivalents	43,896	36,446	-	490
<b>Total current assets</b>	<b>420,370</b>	<b>377,695</b>	<b>143,873</b>	<b>144,679</b>
<b>Total assets</b>	<b>517,115</b>	<b>471,542</b>	<b>192,533</b>	<b>193,340</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Trade and other payables	171,021	151,992	109	353
Derivative financial liabilities	853	1,389	-	-
Loans and borrowings	53,134	36,455	-	-
Amounts due to holding company	2,685	4,185	-	-
Amounts due to related companies	27,001	30,827	20,450	20,500
Income tax payable	1,838	685	-	-
<b>Total current liabilities</b>	<b>256,532</b>	<b>225,533</b>	<b>20,559</b>	<b>20,853</b>
<b>Non-current liabilities:</b>				
Provisions	9,412	9,428	-	-
Deferred tax liabilities	8,433	8,860	-	-
Loans and borrowings	14,829	10,293	-	-
Other payables	1,291	842	-	-
<b>Total non-current liabilities</b>	<b>33,965</b>	<b>29,423</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>290,497</b>	<b>254,956</b>	<b>20,559</b>	<b>20,853</b>
<b>Equity:</b>				
Share capital	545	545	545	545
Share premium	196,308	196,308	196,308	196,308
Retained earnings/(accumulated losses)	11,046	3,422	(24,879)	(24,366)
Foreign currency translation reserve	917	-	-	-
	208,816	200,275	171,974	172,487
<b>Non-controlling interests</b>	<b>17,802</b>	<b>16,311</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>226,618</b>	<b>216,586</b>	<b>171,974</b>	<b>172,487</b>
<b>Total liabilities and equity</b>	<b>517,115</b>	<b>471,542</b>	<b>192,533</b>	<b>193,340</b>

## 1b(ii) Aggregate amount of the Group's borrowings and debt securities

	<u>Unsecured</u>		<u>Secured</u>	
	30 Jun 2017	31 Dec 2016	30 Jun 2017	31 Dec 2016
	US\$'000	US\$'000	US\$'000	US\$'000
Amount payable in one year or less or on demand	32,233	49,757	50,587	21,710
Amount payable after one year	14,829	10,293	-	-

The Company's controlling shareholder, AnAn Group (Singapore) Pte. Ltd. (formerly known as Singapore Petrochemical & Energy Development Pte. Ltd.), continues to extend financial support by providing interest-free loans. As at 30 June 2017, the aggregate loan balance was approximately US\$2.69 million.

The aggregate banking facilities granted by the banks is approximately US\$120 million as at 30 June 2017.

### Details of any collateral

The secured borrowings pertained to secured borrowings of US\$50.59 million which are secured with trade receivables of the subsidiaries.

### Contingent liabilities

As at 30 June 2017, the Group has given guarantees amounting to US\$120 million to certain bank in respect of banking facility granted to a subsidiary.

As at 30 June 2017, the Group has also given guarantees of Euro9.7 million in favour of certain counterparts for a subsidiary.

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

<b>Group</b>	<b>Three months ended 30 Jun 2017 US\$'000</b>	<b>Three months ended 30 Jun 2016 US\$'000</b>	<b>Six months ended 30 Jun 2017 US\$'000</b>	<b>Six months ended 30 Jun 2016 US\$'000</b>
<b>Operating activities</b>				
Profit/(loss) before income tax	4,374	(328)	9,237	(1,086)
<b>Adjustment for:</b>				
Depreciation and amortisation	1,072	41	2,127	80
Loss on disposal of property, plant and equipment	73	-	97	-
Fair value measurement on derivative instrument	(442)	(118)	(727)	(86)
Allowance for doubtful debts	634	-	652	-
Impairment in joint venture	5	-	5	-
Interest expenses	552	91	964	134
Interest income	(71)	(2)	(118)	(3)
Share of results of associate	(160)	-	(160)	-
Share of results of joint venture	415	42	(141)	-
Exchange realignment	(9,724)	101	(9,880)	114
Operating cash flows before movements in working capital	(3,272)	(173)	2,056	(847)
<b>Movements in working capital:</b>				
Inventories	3,848	-	4,612	-
Trade and other receivables	5,287	(38,071)	(25,089)	9,306
Trade and other payables	6,058	32,298	18,888	(29,553)
<b>Cash generated from/(used in) operation</b>	11,921	(5,946)	467	(21,094)
Income taxes paid	(740)	(1,926)	(937)	(2,288)
Interest paid	(552)	(91)	(964)	(134)
Interest received	71	2	118	3
<b>Net cash generated from/(used in) operating activities</b>	10,700	(7,961)	(1,316)	(23,513)
<b>Investing activities</b>				
Refund of excess capital injection in joint venture	-	-	-	66
Proceeds from disposal of property, plant and equipment	2	-	93	-
Purchases of intangible assets, property, plant and equipment	(1,174)	(488)	(1,646)	(516)
<b>Net cash used in investing activities</b>	(1,172)	(488)	(1,553)	(450)
<b>Financing activities</b>				
Proceeds/(repayment) from borrowings	1,185	3,216	(1,310)	13,485
Repayment of obligation under finance leases	(13)	-	(26)	-
Repayment to holding company	(1,000)	-	(1,500)	-
Repayment to related companies	(2,028)	-	(8,911)	-
Fixed deposit pledged with financial institutions	-	(1,430)	-	(2,930)
<b>Net cash (used in)/generated from financing activities</b>	(1,856)	1,786	(11,747)	10,555
<b>Net increase/(decrease) in cash and cash equivalents</b>	7,672	(6,663)	(14,616)	(13,408)
Cash and cash equivalents at the beginning of the period	774	36,870	23,032	43,606
Effect of exchange rates changes on cash and cash equivalents	25	77	55	86
<b>Cash and cash equivalents at the end of the period</b>	8,471	30,284	8,471	30,284
Cash and bank balance	43,896	33,214	43,896	33,214
Fixed deposit pledged	(609)	(2,930)	(609)	(2,930)
Bank overdrafts	(34,816)	-	(34,816)	-
Cash and cash equivalents per consolidated statement of cash flows	8,471	30,284	8,471	30,284

**1d(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.**

	Attributable to the owners of the Company						Total equity US\$'000
	Share capital US\$'000	Share premium US\$'000	Retained earnings/ (accumulated losses) US\$'000	Foreign currency translation reserve US\$'000	Equity attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	
<b>Group</b>							
At 1 January 2017	545	196,308	3,422	-	200,275	16,311	216,586
Profit for the period	-	-	7,624	-	7,624	610	8,234
Exchange differences on translating foreign operations	-	-	-	917	917	881	1,798
Balance at 30 June 2017	545	196,308	11,046	917	208,816	17,802	226,618
At 1 January 2016	545	196,308	699	-	197,552	-	197,552
Loss for the period, representing total comprehensive income for the financial period	-	-	(1,086)	-	(1,086)	-	(1,086)
Balance at 30 June 2016	545	196,308	(387)	-	196,466	-	196,466

	Attributable to the owners of the Company			Total equity US\$'000
	Share capital US\$'000	Share premium US\$'000	Accumulated losses US\$'000	
<b>Company</b>				
At 1 January 2017	545	196,308	(24,366)	172,487
Loss for the period, representing total comprehensive income for the period	-	-	(513)	(513)
Balance at 30 June 2017	545	196,308	(24,879)	171,974
At 1 January 2016	545	196,308	(22,129)	174,724
Loss for the period, representing total comprehensive income for the period	-	-	(501)	(501)
Balance at 30 June 2016	545	196,308	(22,630)	174,223

- 1d(ii) Details of any changes in the Company's share capital arising from right 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the corresponding period of the immediately preceding financial year.**

There have been no changes in the Company's share capital since the end of the previous period reported.

Save as disclosed above, the Company did not have any treasury shares, subsidiary holdings or other convertibles during the period.

- 1d(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at end of 30 June 2017 and 31 December 2016 was 4,233,185,850 shares. There were no shares held as treasury shares and the Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 30 June 2017 and 31 December 2016.

- 1d(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 as the Company does not have any treasury shares.

- 1d(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

During the financial period, there was no transaction pertaining to subsidiary holdings.

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

These figures have neither been reviewed nor audited 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 accounting policies and methods of computation applied by the Group are consistent with those used in its most recent audited financial statements as well as all the applicable new/revised International Financial Reporting Standards (IFRS) and IFRS interpretations (INT IFRS) which came into effect for the financial years beginning on or after 1 January 2017.

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.**

In the current financial year, the Group has adopted the new and revised IFRS, and INT IFRS that are relevant to its operations and effective for the current financial year. The adoption of these new or revised IFRS or INT IFRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

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:**

	<b>Group</b>			
	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>	<b>30 Jun 2017</b>	<b>30 Jun 2016</b>
	US\$	US\$	US\$	US\$
<b>Profit/(loss) attributable to owners of the Company</b>	3,226,495	(328,422)	7,623,511	(1,086,142)
<b>Earnings per ordinary share</b>	US Cents	US Cents	US Cents	US Cents
(a) Based on the weighted average number of ordinary shares in issue; and	0.0762	(0.0078)	0.1801	(0.0257)
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850	4,233,185,850	4,233,185,850
(b) On a fully diluted basis	0.0762	(0.0078)	0.1801	(0.0257)
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850	4,233,185,850	4,233,185,850

7. **Net assets 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.**

	<b>Group</b>		<b>Company</b>	
	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>	<b>30 Jun 2017</b>	<b>31 Dec 2016</b>
	US cents	US cents	US cents	US cents
<b>Net assets value per ordinary share</b>	<u>4.933</u>	<u>4.731</u>	<u>4.063</u>	<u>4.075</u>

The calculation of net asset value per ordinary share is based on the Group's net assets of approximately US\$208,815,252 as at 30 June 2017 (31 December 2016: US\$200,274,905) and the Company's net assets of approximately US\$171,973,999 as at 30 June 2017 (31 December 2016: US\$172,487,331) and share capital of 4,233,185,850 shares (31 December 2016: 4,233,185,850 shares).



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:-
- 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
  - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

### Review of the Group's financial performance

The Group's revenue increased by 132% from US\$519.37 million for the six months ended 30 June 2016 ("6M 2016") to US\$1,206.29 million for the six months ended 30 June 2017 ("6M 2017"). The revenue in the second quarter of the year ("2Q 2017") rose to US\$594.06 million from US\$292.31 million in the second quarter of last year ("2Q 2016"), increase by 103% on quarter to quarter ("Q-to-Q"), with US\$333.79 million of that resulting from Distribution segment. The significant increase in revenue were primarily contributed by the subsidiaries acquired last year.

The breakdown of the business segment results are as follows:

	<b>Three months ended 30 Jun 2017</b>	<b>Three months ended 30 Jun 2016</b>	<b>Six months ended 30 Jun 2017</b>	<b>Six months ended 30 Jun 2016</b>
<u>Revenue</u>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
Distribution	333,788	-	680,738	-
Wholesale	260,274	292,311	525,553	519,365
	<u>594,062</u>	<u>292,311</u>	<u>1,206,291</u>	<u>519,365</u>

The Group reported a gross profit of US\$16.71 million in 2Q 2017, an increase of 730% as compared to US\$2.01 million in 2Q 2016. The total gross profit was US\$32.58 million for the 6M 2017, an increase of US\$29.41 million or 929% compared to US\$3.17 million for 6M 2016. The gross margin increased from 0.6% in 6M 2016 to 2.7% in 6M 2017 due to higher profit margin generated from distribution segment. Distribution segment and wholesale segment contributed 65% and 35% to the Group's gross profit respectively.

Other operating income for 2Q 2017 and 2Q 2016 were US\$0.61 million and US\$4,000 respectively, for 6M 2017 and 6M 2016 were US\$1.01 million and US\$14,000 respectively, mainly comprised government credit scheme, bank interest income and gain of disposal of property, plant and equipment.

Selling and distribution expenses in 2Q 2017 and 6M 2017 were US\$9.75 million and US\$19.32 million respectively, which resulted from distribution segment. Administrative expenses reduced by 6% and 13% to US\$1.81 million and US\$3.28 million in 2Q 2017 and 6M 2017 respectively, as compared to US\$1.94 million and US\$3.78 million in 2Q 2016 and 6M 2016 respectively. Other operating expenses in 2Q 2017 & 6M 2017 increased by 96% and 263% to US\$0.34 million and US\$0.65 million (2Q 2016: US\$0.17 and 6M 2016: US\$0.18) respectively, mainly due to allowance for receivables. Finance expenses of US\$0.79 million and US\$1.41 million in 2Q 2017 and 6M 2017 increased by 306% and 358% respectively from US\$0.2 million in 2Q2016 and US\$0.31 million in 6M2016, mainly due to interest expenses incurred from bank borrowings.

The Group's net profit for 2Q 2017 was US\$3.53 million as compared to net loss of US\$0.33 million for 2Q 2016, an increase of US\$3.86 million. For the first six months of the year, net profit was up 858% to US\$8.23 million compared to net loss of US\$1.09 million in 6M 2016, mainly attributable to the increase in profitability of trading business.

## **Review of the Group's financial position**

The Group's non-current assets stood at US\$96.75 million as at 30 June 2017 compared to US\$93.85 million as at 30 June 2016, comprised the property, plant and equipment of US\$39.09 million, intangible assets of US\$8.5 million, investments in associates and joint ventures of US\$48.87 million and other receivables of US\$0.29 million. The increase of US\$ 2.9 million were mainly attributable to purchase of property, plant and equipment and the share of profits in associates.

The current assets stood at US\$420.37 million as at 30 June 2017 compared to US\$377.70 million as at 31 December 2016. Overall, the increase of US\$42.67 million in current assets was mainly from (i) an increase of US\$32.04 million in trade and other receivables to US\$324.82 million as at 30 June 2017 from US\$292.78 million as at 31 December 2016; (ii) an increase of US\$4.82 million in amounts due from related companies; and (iii) an increase of US\$7.45 million in cash and cash equivalents. The increases resulted from above was partially offset by a decrease in inventories of US\$2.36 million.

The increase of US\$31 million in current liabilities is mainly from (i) an increase in trade and other payables of US\$19.03 million from US\$151.99 million as at 31 December 2016 to US\$171.02 million as at 30 June 2017, (ii) an increase in loans and borrowings of US\$16.68 million, (iii) an increase in income tax payable of US\$1.15 million; (iv) and the increase in current liabilities was partially offset by a decrease of US\$3.83 million in amounts due to related companies and a decrease of US\$1.5 million in amounts due to holding company.

The non-current liabilities increased from US\$29.42 million as at 31 December 2016 to US\$33.97 million as at 30 June 2017 and is mainly attributable to an increase in loans and borrowings of US\$4.54 million and an increase in other payables of US\$0.45 million, partially offset by a reduction in deferred tax liabilities of US\$0.43 million.

The Group's total liabilities increased by 14% or US\$35.54 million from US\$254.96 million as at 31 December 2016 to US\$290.5 million as at 30 June 2017.

The Group's net assets stood at US\$208.82 million as at 30 June 2017, or 4.93 US cents per share, compared to US\$200.28 million as at 31 December 2016 or 4.73 US cents per share.

## **Review of the Group's cash flows**

The Group recorded a net cash generated from operating activities of US\$10.7 million in 2Q 2017 and a net cash of US\$1.32 million used in 6M 2017 respectively compared to a net cash used in operating activities of US\$7.96 million in 2Q 2016 and US\$23.51 million in 6M 2016, attributable mainly to an increase in net profit generated in 2017. The net cash used in investing activities for 2Q 2017 and 6M 2017 were US\$1.17 million and US\$1.55 million respectively which were mainly due to the purchases of intangible assets, property, plant and equipment. The net cash used in financing activities were US\$1.86 million for 2Q 2017 and US\$11.75 million for 6M 2017 compared to a net cash generated from financing activities of US\$1.79 million in 2Q 2016 and US\$10.56 million in 6M 2017, mainly due to the repayment to holding company and related companies and repayment of borrowings.

As a result of the above, the Group's cash and cash equivalents stood at US\$8.47 million as at 30 June 2017.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

As seen from the past months in 2017, oil prices slid despite the reporting of low or reduction in US oil inventory, whereas previously such news would swing the oil market upwards. The market also did not respond enthusiastically to attempts by Russia and Saudi Arabia to boost oil prices through plans in production cuts. Demand from China is softening in anticipation of review in economic policies. In view of these, the market might encounter price ceiling in the coming quarter.

France and Spain remain relatively mature markets, where fossil fuel is giving way to renewable energy due to the energy conversion policies implemented across Europe. On the political end, it is generally considered that the new French President with a committed liberal program may introduce changes in social and tax legislations in favour of corporations. The management team in France will closely monitor and evaluate the impact of any such legislative developments.

On the trading front, our continued strife for risk adverse and business excellence has been to focus on profitable trades without exposing the Group to price volatility.

On the distribution business, Dyneff continued its strategy of defending its market share in its current markets while growing its gas business and the marketing of biofuels as a new business line.

On the financing front, the Group continued to execute new assignments under the Sale and Purchase Deeds announced in March this year to enhance working capital management.

On the investment front, Dyneff has been active in looking for potential resellers and distributors as acquisition targets to drive business expansion. At the Group level, the incorporation of AnAn International (USA), LLC was announced in July, as an investment holding company and a vehicle for extending the Group's search for investment opportunities in North America. The Group also disclosed in the announcements dated 7 July 2015 and 18 August 2015 that it was in discussions to acquire equity interests in two companies, one of which owns floating storage facilities and the other of which is involved in the construction of certain port facilities and cargo transportation in China. The Group wishes to update that discussions and work in relation to these projects are still ongoing.

On 18 July 2017, the Company dispatched a circular to shareholders convening a special general meeting on 10 August 2017 to approve the change of the Company's name to "AnAn International Limited". The proposed change of name of the Company serves to create a stronger common identity with its parent company AnAn Group (Singapore) Pte. Ltd. The resolutions are subject to shareholder approval.

Notwithstanding the business plans mapped out above, the Group's performance is dependent upon developments in global economic, financial and commodities markets. The Group will remain vigilant and nimble on any possible impact on its operations and investments as a result of such developments.

**11. Dividend**

**(a) Current financial period reported on**

None.

**Corresponding period of the immediately preceding financial year**

None.

**Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended.

**13. If the Group has obtained a general mandate from the Shareholder for IPTs, the aggregate value of such transactions as required under Rule 902 (1)(a) (ii). If no IPT mandate has been obtained, please make a statement to that effect**

There were no interested person transactions carried out in 2Q2017 except for the interest-free advances made by AnAn Group (Singapore) Pte. Ltd. (formerly known as Singapore Petrochemical & Energy Development Pte. Ltd.) to the Group.

The Company does not have a general mandate from shareholders for interested person transactions.

**14. Negative confirmation pursuant to Rule 705(5)**

We, Zang Jian Jun and Zhao Guang Ming, being two directors of CEFC International Limited (“**the Company**”), do hereby confirm on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the financial period ended 30 June 2017 to be false or misleading in any material aspect.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1))**

The Company confirms that it has procured undertakings from all its directors and executive offices in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

**Zang Jian Jun**  
**Executive Chairman**  
**Date: 11 August 2017**