



Unaudited Financial Statements And Dividend Announcement for the First Quarter ended 31 March 2014

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

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

1(a)(i) Statement of comprehensive income for the first quarter ended 31 March 2014

		Group		
		S\$'000		%
	Note	1st quarter ended 31 March 2014	1st quarter ended 31 March 2013	Increase/ (decrease)
Revenue	(a)	71,487	10,989	551
Cost of sales	(b)	(68,520)	(9,400)	629
Gross profit		2,967	1,589	87
Other (losses)/income, net		(148)	206	nm
Selling and distribution expenses		(471)	(496)	(5)
General and administrative expenses		(992)	(1,009)	(2)
Finance costs		(26)	(59)	(56)
Profit before income tax		1,330	231	476
Income tax expense		(1)	(1)	-
Net profit for the period	(c)	1,329	230	478
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss:				
Available-for-sale financial assets:				
- Fair value losses		(20)	(30)	(33)
- Reclassification		107	-	nm
Currency translation differences arising from consolidation		(130)	198	nm
Other comprehensive (loss)/income, net of tax		(43)	168	nm
Total comprehensive income		1,286	398	223
Profit attributable to:				
Equity holders of the Company		1,208	149	711
Non-controlling interests		121	81	49
		1,329	230	478
Total comprehensive income attributable to:				
Equity holders of the Company		1,164	290	301
Non-controlling interests		122	108	13
		1,286	398	223

Footnotes:

- (a) Revenue comprises the following:

	Group		
	S\$'000		%
	1st quarter ended 31 March 2014	1st quarter ended 31 March 2013	Increase/ (decrease)
Sales of goods	10,956	10,671	3
Rental income from investment property	328	318	3
Construction revenue	58,822	-	nm
Finance revenue	884	-	nm
Operating and maintenance income	497	-	nm
	71,487	10,989	551

- (b) The cost of sales includes the following:

	Group		
	S\$'000		%
	1st quarter ended 31 March 2014	1st quarter ended 31 March 2013	Increase/ (decrease)
Costs of goods sold	8,580	8,657	(1)
Depreciation	727	743	(2)
Construction expense	58,822	-	nm
Operating and maintenance fees	291	-	nm
Commercial tax	100	-	nm
	68,520	9,400	629

- (c) Profit for the period includes the following:

	Group		
	S\$'000		%
	1st quarter ended 31 March 2014	1st quarter ended 31 March 2013	Increase/ (decrease)
Depreciation	(770)	(803)	(4)
Gain on disposal of property, plant and equipment	3	11	(73)
Allowance for impairment of trade receivables	(114)	-	nm
Net loss on redemption of available-for-sale financial assets	(107)	-	nm
Foreign exchange (loss)/gain, net	(42)	31	nm
Interest income	107	159	(33)
Interest expense	(26)	(59)	(56)

nm - not meaningful

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

	Group		Company	
	31/03/2014 S\$'000	31/12/2013 S\$'000	31/03/2014 S\$'000	31/12/2013 S\$'000
Non-current Assets				
Property, plant and equipment	61,975	62,559	315	333
Investment property	7,806	7,859	-	-
Investments in subsidiaries	-	-	15,469	15,469
Financial receivables*	42,772	-	-	-
Other receivables	-	-	27,584	-
Total Non-current Assets	112,553	70,418	43,368	15,802
Current Assets				
Inventories	9,586	9,533	-	-
Financial receivables*	15,006	-	-	-
Trade receivables	10,988	11,937	524	836
Other receivables	654	15,229	63,148	48,922
Tax recoverable	1	1	-	-
Prepaid operating expenses	154	307	34	15
Available-for-sale financial assets	2,261	3,531	2,261	3,531
Cash and bank balances	31,488	71,131	27,971	68,513
Total Current Assets	70,138	111,669	93,938	121,817
Current Liabilities				
Borrowings	(1,923)	(2,483)	-	-
Trade payables and accruals	(4,140)	(4,241)	(205)	(156)
Other payables	(325)	(346)	(110)	(172)
Total Current Liabilities	(6,388)	(7,070)	(315)	(328)
Net Current Assets	63,750	104,599	93,623	121,489
Non-current Liabilities				
Deferred income tax liabilities	(653)	(653)	-	-
Total Non-current Liabilities	(653)	(653)	-	-
Net Assets	175,650	174,364	136,991	137,291
Capital and reserves attributable to equity holders of the Company				
Share capital	140,578	140,578	140,578	140,578
Reserves/(accumulated losses)	28,089	26,925	(3,587)	(3,287)
	168,667	167,503	136,991	137,291
Non-controlling interests	6,983	6,861	-	-
Total Equity	175,650	174,364	136,991	137,291

* The Group recognised financial receivables as it has a contractual right under the concession agreement to receive a fixed and determinable amount of payments during the concession period irrespective of the usage of the plant. The financial receivables are measured on initial recognition at its fair value. Subsequent to initial recognition, the financial receivables are measured at amortised cost using the effective interest rate method.

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

(a) Amount repayable in one year or less, or on demand

As at 31/03/14		As at 31/12/13	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	1,923	-	2,483

(b) Amount repayable after one year

As at 31/03/14		As at 31/12/13	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(c) Details of any collaterals

As at 31 March 2014, secured borrowings refer to the trade facilities that are secured by a charge over fixed deposits of S\$391,000 (2013: S\$391,000). There is no secured borrowing as at 31 March 2014.

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

	1st quarter ended 31 March 2014	1st quarter ended 31 March 2013
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	1,330	231
Adjustments for:		
Depreciation	770	803
Gain on disposal of property, plant and equipment	(3)	(11)
Net loss on redemption of available-for-sale financial assets	107	-
Allowance for impairment of trade receivables	114	-
Finance income	(884)	-
Interest income	(107)	(159)
Interest expenses	26	59
Unrealised currency translation losses/(gains)	155	(24)
Operating cash flows before working capital changes	<u>1,508</u>	<u>899</u>
Changes in working capital		
Inventories	(53)	(223)
Financial receivables	1,598	-
Trade receivables	835	(392)
Other receivables	(58)	(100)
Prepaid operating expenses	153	(189)
Trade payables and accruals	(184)	(1,111)
Other payables	(21)	59
Cash generated from/(used in) operations	<u>3,778</u>	<u>(1,057)</u>
Interest received	69	72
Interest paid	(26)	(59)
Income taxes paid	(1)	(1)
Net cash provided by/(used in) operating activities	<u>3,820</u>	<u>(1,045)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(53)	(34)
Proceeds from disposal of property, plant and equipment	3	24
Redemption of available-for-sale financial assets	1,250	-
Acquisition of financial asset	(44,093)	-
Net cash used in investing activities	<u>(42,893)</u>	<u>(10)</u>
Cash flows from financing activities		
(Repayment of)/proceeds from bank borrowings	(560)	632
Proceeds from exercise of warrants of the Company	-	4,067
Net cash (used in)/from financing activities	<u>(560)</u>	<u>4,699</u>
Net (decrease)/increase in cash and cash equivalents	<u>(39,633)</u>	<u>3,644</u>
Cash and cash equivalents at beginning of period	<u>70,740</u>	<u>79,884</u>
Effects of currency translation on cash and cash equivalents	<u>(10)</u>	<u>58</u>
Cash and cash equivalents at end of period	<u>31,097</u>	<u>83,586</u>
Cash and cash equivalents included in the consolidated statement of cash flows comprise the following balance sheet amounts:		
Cash and bank balances	31,488	83,992
Less: Pledged fixed deposits	(391)	(406)
	<u>31,097</u>	<u>83,586</u>

- 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

THE GROUP

Consolidated statement of changes in equity for the period ended 31 March 2014

	Share capital	Capital reserve	Foreign currency translation reserve	Fair value reserve	Revenue reserve	Total reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2014	140,578	712	(10,202)	(214)	36,629	26,925	6,861	174,364
Total comprehensive income for the period	-	-	(131)	87	1,208	1,164	122	1,286
Balance at 31 March 2014	140,578	712	(10,333)	(127)	37,837	28,089	6,983	175,650

Consolidated statement of changes in equity for the period ended 31 March 2013

	Share capital	Capital reserve	Foreign currency translation reserve	Fair value reserve	Revenue reserve	Total reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2013	136,511	712	(7,778)	(271)	36,938	29,601	6,715	172,827
Total comprehensive income for the period	-	-	171	(30)	149	290	108	398
Warrants conversions	4,067	-	-	-	-	-	-	4,067
Balance at 31 March 2013	140,578	712	(7,607)	(301)	37,087	29,891	6,823	177,292

THE COMPANY

Statement of changes in equity for the period ended 31 March 2014

	Share capital	Capital reserve	Fair value reserve	Revenue reserve	Total reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2014	140,578	74	(214)	(3,147)	(3,287)	137,291
Total comprehensive loss for the period	-	-	87	(387)	(300)	(300)
Balance at 31 March 2014	140,578	74	(127)	(3,534)	(3,587)	136,991

Statement of changes in equity for the period ended 31 March 2013

	Share capital	Capital reserve	Fair value reserve	Revenue reserve	Total reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2013	136,511	74	(271)	(3,225)	(3,422)	133,089
Total comprehensive loss for the period	-	-	(30)	(327)	(357)	(357)
Warrants conversions	4,067	-	-	-	-	4,067
Balance at 31 March 2013	140,578	74	(301)	(3,552)	(3,779)	136,799

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

There were no changes in the Company's share capital for the first quarter ended 31 March 2014.

The Company has no outstanding warrants as at 31 March 2014 and 31 March 2013.

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

	Company	
	31.03.2014	31.12.2013
Number of issued shares	836,667,121	836,667,121

The Company did not hold any treasury shares as at 31 March 2014 and 31 December 2013.

- 1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury share 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 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**

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with those used in the audited financial statements for the year ended 31 December 2013.

- 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 Group has adopted all the new and revised Singapore Financial Reporting Standards (FRS) and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014.

The adoption of the new and revised FRSs and INT FRSs 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 period.

The Group has also adopted INT FRS 112 Service Concession Arrangements which is relevant to its power plant project which has commenced operations during the current quarter.

INT FRS 112 requires the recognition of construction revenue and the corresponding financial receivable and/or intangible asset for public-to-private service concession arrangement if:

- the party that grants the service arrangement (the "grantor") controls or regulates what services that entity (the "operator") must provide with the infrastructure, to whom it must provide them, and at what price; and
- the grantor controls, through ownership, beneficial entitlement or otherwise, any significant residual interest in the infrastructure asset at the end of the term of arrangement.

The Group has concession arrangements with Myanma Electric Power Enterprise (MEPE), a governmental body of the Republic of the Union of Myanmar to supply a minimum of 350 million kilowatt-hours (kWh) of electricity per year from our gas-fired electricity generating power plant. Under the concession arrangement, the Group will construct and operate the plant for Concession Period of 30 years and transfer the plant to the grantor at the end of the Concession Period. Such concession arrangement is fall within the scope of the INT FRS 112.

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	
		1st quarter ended 31 March 2014	1st quarter ended 31 March 2013
Earnings per ordinary share for the period based on profit attributable to equity holders of the Company			
(i)	Based on weighted average number of ordinary shares on issue	S\$ cents	
		0.14	0.02
(ii)	On a fully diluted basis	S\$ cents	
		0.14	0.02

Note to item 6(i)

Group basic earnings per ordinary share for the period ended 31 March 2014 is calculated based on the weighted average number of ordinary shares in issue during the period of 836,667,121 (2013: 819,551,397) shares after accounting for new shares issued during the period.

Note to item 6(ii)

Group fully diluted earnings per ordinary share for the period ended 31 March 2014 is calculated based on the weighted average number of ordinary shares in issue during the period of 836,667,121 (2013: 819,551,397) shares after accounting for new shares issued and the dilutive effect arising from the exercise of all outstanding warrant 2010 during the period.

7. Net asset value (for the issuer and the group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

		31 March 2014	31 December 2013
The Group	S\$ cents	20.16	20.02
The Company	S\$ cents	16.37	16.41

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

(a) Review of Statement of comprehensive income

The Group net profit grew 478% to S\$1.3 million in first quarter ended 31 March 2014 (1Q2014) from S\$0.2 million in first quarter ended 31 March 2013 (1Q2013), while turnover increased 551% to S\$71.5 million from S\$11.0 million.

The Group's turnover of S\$71.5 million in the current quarter was mainly contributed by a subsidiary dealing in gas-fired electricity generating power plant project in Ywama, Myanmar (the "Project"). The project has commenced commercial operations on 11 February 2014 and the Group has in accordance with INT FRS 112 recognised the consideration received or receivables from the project as revenue.

Construction revenue arising from the construction for gas-fired electricity generating power plant is recognised in accordance with INT FRS 112 and FRS 11 Construction Contracts ("FRS 11") and it is offset by an equivalent construction expense and as such has no impact on the operating profit.

Revenue from the paper business in the current quarter was relatively consistent with that of 1Q2013.

The Group reported a net profit attributable to shareholders of S\$1.2 million for the period under review as compared to S\$149k in the previous corresponding period.

(b) (i) Review of Statement of Financial Position

Group level

The long-term and short-term "financial receivables" relates to the Ywama gas-fired power plant. The Group recognised the consideration receivables as financial receivables in accordance with INT FRS 112.

Total current assets decreased by S\$41.5 million from S\$111.6 million as at 31 December 2013 to S\$70.1 million as at 31 March 2014 mainly due to lower cash balances as a result of payment to our turnkey contractor for construction work of gas-fired electricity generating power plant completed during this period.

The decrease in other receivables from S\$15.2 million as at 31 December 2013 to S\$0.6 million as at 31 March 2014 was mainly due to reclassification of deposit paid to turnkey contractor for building the gas-fired electricity generating power plant to "financial receivables" upon plant completed construction and turning operational.

As a result of the payment made to the turnkey contractor for the construction of gas-fired electricity generating power plant, the Group's current ratio changed from 15.8 times to 11.0 times as at 31 March 2014, whilst working capital balance decreased from S\$104.6 million to S\$63.7 million. Against 31 December 2013, total equity increased approximately S\$1.3 million to S\$175.6 million as at 31 March 2014.

Company level

The decrease in current assets and the corresponding increase in non-current assets were mainly due to payment on behalf of a subsidiary for acquisition of newly constructed power plant in Myanmar.

(b) (ii) Review of Statement of Cash Flows

As at 31 March 2014, cash and cash equivalents amounted to S\$31.1 million. This was 56% or S\$39.6 million lower compared to that as at 31 December 2013 due mainly to net cash used in investing activities of S\$42.9 million partially offset by cash generated from operations of S\$3.8 million.

The cash generated from operating activities was mainly due to receipts from customers partially offset by the payment of operating expenses during the period under review.

The net cash used in investing activities was mainly due to construction expense of S\$44.1 million paid to turnkey contractor for the building of new gas-fired electricity generating power plant.

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

Outlook

For paper mill business, the operating environment will continue to be challenging due to the rising operational costs, in particular the energy costs, as a result of higher electricity tariffs adopted by Malaysian government. The Group will continue its effort to improve operational efficiency and cost control measures in order to remain competitive and profitable.

For gas power plant project in Myanmar, the commercial operation of the newly constructed gas-fired electricity generating power plant of the Group and minimum off-take provision in our power purchase agreement provide steady minimum revenue in 2014.

Backed by healthy operating cash flows and a sound balance sheet, the Group is also well-placed to capitalise on opportunities that may arise.

Status on the use of proceeds

Shares Placement (completion of allotment on 16 May 2012)

As stated in the Annual Report 2013, a total of approximately S\$31.3 million of the net Placement proceeds of approximately S\$40.3 million ("Net Proceed") was utilised as follows:-

- (a) As announced on 28 February 2014, the Company has utilised an amount of S\$24.0 million to satisfy part of the consideration amounting to S\$36.8 million which is due and payable under the Turnkey Agreement.

The Company confirms that the above amounts of proceeds from the Placement were used as previously disclosed.

- (b) As announced on 26 March 2014, the Company has utilised an amount of approximately S\$7.3 million of the Net Proceeds to satisfy the balance of the consideration which is due and payable under the Turnkey Agreement (the "Turnkey Amount").

The Company notes that the use of the Net Proceeds for the Turnkey Amount represents a change in the intended allocation of the Net Proceeds as stated in its announcement dated 4 May 2012.

The unutilised balance of the Net Proceeds is approximately S\$9.0 million as at the date of the report.

11. Dividend

(a) Period ended 31 March 2014

Any dividend declared for the current financial period reported on?

None.

(b) Period ended 31 March 2013

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

No dividend has been declared or recommended for the first quarter ended 31 March 2014.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

	Aggregate value of all IPT during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual during the financial period under review (excluding transactions less than \$100,000)
Name of Interested Person		
None	-	-
Total Interested Person Transactions	-	-

14. Negative assurance confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the first quarter ended 31 March 2014 to be false or misleading in any material respect.

BY ORDER OF THE BOARD

Tong Kooi Ong
Executive Chairman

Koh Wan Kai
Executive Director

12 May 2014