



Unaudited Financial Statements And Dividend Announcement for the First Quarter ended 31 March 2016

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 2016

	Note	Group		
		1st quarter ended 31 March 2016	1st quarter ended 31 March 2015	Increase/ (decrease)
		S\$'000	S\$'000	%
Revenue	(a)	16,184	15,870	2
Cost of sales	(b)	(11,020)	(11,542)	(5)
Gross profit		5,164	4,328	19
Other (losses)/income, net		(2,546)	1,546	nm
Selling and distribution expenses		(467)	(565)	(17)
General and administrative expenses		(1,230)	(1,213)	1
Finance costs		(1)	(1)	-
Profit before income tax		920	4,095	(78)
Income tax expense		(5)	(2)	150
Total profit	(c)	915	4,093	(78)
Other comprehensive income/(loss)				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising from consolidation		1,343	(139)	nm
Other comprehensive income/(loss), net of tax		1,343	(139)	nm
Total comprehensive income		2,258	3,954	(43)
Profit attributable to:				
Equity holders of the Company		788	3,982	(80)
Non-controlling interests		127	111	14
		915	4,093	(78)
Total comprehensive income attributable to:				
Equity holders of the Company		1,891	3,950	(52)
Non-controlling interests		367	4	9,075
		2,258	3,954	(43)

Footnotes:

(a) Revenue comprises the following:

	Group		
	1st quarter ended 31 March 2016	1st quarter ended 31 March 2015	Increase/ (decrease)
	S\$'000	S\$'000	%
Sales of goods	12,993	13,282	(2)
Finance income	1,651	1,755	(6)
Operating and maintenance income	1,540	833	85
	16,184	15,870	2

(b) The cost of sales includes the following:

	Group		
	1st quarter ended 31 March 2016	1st quarter ended 31 March 2015	Increase/ (decrease)
	S\$'000	S\$'000	%
Cost of goods sold	9,965	10,887	(8)
Operating and maintenance fees	838	461	82
Others	217	194	12
	11,020	11,542	(5)

(c) Profit for the period includes the following:

	Group		
	1st quarter ended 31 March 2016	1st quarter ended 31 March 2015	Increase/ (decrease)
	S\$'000	S\$'000	%
Depreciation	(644)	(679)	(5)
Gain on disposal of property, plant and equipment	4	7	(43)
Allowance for impairment of trade receivables	-	(224)	nm
Foreign exchange (loss)/gain, net	(2,688)	1,678	nm
Interest income	126	75	68
Interest expense	(1)	(1)	-

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	
	31/03/2016	31/12/2015	31/03/2016	31/12/2015
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current Assets				
Property, plant and equipment	52,452	50,353	140	167
Investments in subsidiaries	-	-	15,694	15,694
Service concession receivables*	36,853	41,867	-	-
Other receivables	-	-	21,078	26,513
Total Non-current Assets	89,305	92,220	36,912	42,374
Current Assets				
Inventories	5,463	5,438	-	-
Service concession receivables*	16,053	16,827	-	-
Trade receivables	12,031	11,245	69	45
Other receivables	288	392	56,129	57,567
Prepaid operating expenses	415	213	33	17
Cash and bank balances	60,124	54,893	50,002	47,212
	94,374	89,008	106,233	104,841
Property held-for-sale	7,742	7,742	-	-
Total Current Assets	102,116	96,750	106,233	104,841
Current Liabilities				
Trade payables and accruals	(4,942)	(4,800)	(263)	(758)
Other payables	(102)	(51)	(94)	(46)
Total Current Liabilities	(5,044)	(4,851)	(357)	(804)
Net Current Assets	97,072	91,899	105,876	104,037
Non-current Liabilities				
Deferred income tax liabilities	(685)	(685)	-	-
Total Non-current Liabilities	(685)	(685)	-	-
Net Assets	185,692	183,434	142,788	146,411
Capital and reserves attributable to equity holders of the Company				
Share capital	140,578	140,578	140,578	140,578
Reserves	39,470	37,579	2,210	5,833
	180,048	178,157	142,788	146,411
Non-controlling interests	5,644	5,277	-	-
Total Equity	185,692	183,434	142,788	146,411

* The Group recognised service concession 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 service concession receivables are measured on initial recognition at its fair value. Subsequent to initial recognition, the service concession 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 31/03/2016		As at 31/12/2015	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(b) Amount repayable after one year

As at 31/03/2016		As at 31/12/2015	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

(c) Details of any collaterals

Not applicable.

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 2016	1st quarter ended 31 March 2015
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before income tax	920	4,095
Adjustments for:		
Depreciation	644	679
Gain on disposal of property, plant and equipment	(4)	(7)
Allowance for impairment of trade receivables	-	224
Finance income	(1,651)	(1,755)
Interest income	(126)	(75)
Interest expenses	1	1
Unrealised currency translation losses/(gains)	3,115	(1,705)
Operating cash flows before working capital changes	2,899	1,457
Changes in working capital		
Inventories	(25)	1,390
Service concession receivables	4,941	5,932
Trade receivables	(786)	(967)
Other receivables	152	(61)
Prepaid operating expenses	(202)	50
Trade payables and accruals	134	(1,546)
Other payables	51	(77)
Cash generated from operations	7,164	6,178
Interest received	78	52
Interest paid	(1)	(1)
Income taxes paid	(5)	(2)
Net cash generated from operating activities	7,236	6,227
Cash flows from investing activities		
Purchase of property, plant and equipment	(456)	(50)
Proceeds from disposal of property, plant and equipment	4	7
Net cash used in investing activities	(452)	(43)
Net increase in cash and cash equivalents	6,784	6,184
Cash and cash equivalents at beginning of period	54,893	40,824
Effects of currency translation on cash and cash equivalents	(1,553)	453
Cash and cash equivalents at end of period	60,124	47,461

- 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 2016

	Share capital	Capital reserve	Foreign currency translation reserve	Revenue reserve	Total reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2016	140,578	712	(18,288)	55,155	37,579	5,277	183,434
Profit for the period	-	-	-	788	788	127	915
Other comprehensive income for the period	-	-	1,103	-	1,103	240	1,343
Total comprehensive income for the period	-	-	1,103	788	1,891	367	2,258
Balance at 31 March 2016	140,578	712	(17,185)	55,943	39,470	5,644	185,692

Consolidated statement of changes in equity for the period ended 31 March 2015

	Share capital	Capital reserve	Foreign currency translation reserve	Revenue reserve	Total reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2015	140,578	712	(11,098)	46,553	36,167	5,883	182,628
Profit for the period	-	-	-	3,982	3,982	111	4,093
Other comprehensive loss for the period	-	-	(32)	-	(32)	(107)	(139)
Total comprehensive income for the period	-	-	(32)	3,982	3,950	4	3,954
Balance at 31 March 2015	140,578	712	(11,130)	50,535	40,117	5,887	186,582

THE COMPANY

Statement of changes in equity for the period ended 31 March 2016

	Share capital	Capital reserve	Revenue reserve	Total reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2016	140,578	74	5,759	5,833	146,411
Total comprehensive loss for the period	-	-	(3,623)	(3,623)	(3,623)
Balance at 31 March 2016	140,578	74	2,136	2,210	142,788

Statement of changes in equity for the period ended 31 March 2015

	Share capital	Capital reserve	Revenue reserve	Total reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2015	140,578	74	(149)	(75)	140,503
Total comprehensive income for the period	-	-	2,727	2,727	2,727
Balance at 31 March 2015	140,578	74	2,578	2,652	143,230

- 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 2016.

The Company has no outstanding convertibles and does not hold any treasury shares as at 31 March 2016 and 31 March 2015.

- 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	
	<u>31.03.2016</u>	<u>31.12.2015</u>
Number of issued shares	836,667,121	836,667,121

The Company did not hold any treasury shares as at 31 March 2016 and 31 December 2015.

- 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 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 2015.

- 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 2016.

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.

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 2016	1st quarter ended 31 March 2015
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 0.09	0.48
(ii)	On a fully diluted basis	S\$ cents 0.09	0.48

The above earnings per share is calculated based on the Group's profit after tax with total number of ordinary shares in issue of 836,667,121 (2015: 836,667,121) during the respective financial periods.

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 2016	31 December 2015
The Group	S\$ cents	21.52	21.29
The Company	S\$ cents	17.07	17.50

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 recorded revenue of S\$16.2 million and gross profit of S\$5.2 million, representing a slight increase in revenue but an increase of 19% in gross profit against last year's corresponding period.

Contributions from the power plant business, i.e. finance income (interest income on the service concession receivables recognised in respect of the construction service) and operating and maintenance income which were recognised in accordance with INT FRS 112 are relatively steady and assured income with the guaranteed take-up rates from the grantor, Myanmar Electric Power Enterprise (MEPE) under the service concession arrangement. The increase in operating and maintenance income was mainly due to highly volume of electrical energy above the minimum contracted production generated and take-up by MEPE.

Revenue from the paper business in the current quarter was fairly consistent with 1Q2015. The gross profit margin for the current quarter increased from 18% to 23% on a year-on-year basis. The improvement was mainly due to increase in selling prices of paper mill products as compared to 1Q2015.

Other losses (net) mainly consisted of foreign exchange loss of S\$2.7 million (1Q2015: foreign exchange gain of S\$1.7 million) arose mainly from the translation of USD denominated receivables and bank balances.

The decrease in selling and distribution expenses was mainly due to cost saving from cheaper transport charges.

For the 1Q2016, the Group recorded net profit of S\$0.9 million, a decrease of 78% from S\$4.1 million in the 1Q2015. The decrease was mainly due to the swing of foreign exchange difference from gain of S\$1.7 million in 1Q2015 to loss of S\$2.7 million in 1Q2016 as explained above. However, by excluding the effects of foreign exchange difference, the Group's net profit increased by S\$1.2 million or 49% mainly due to higher contributions by both the paper mill and power plant business.

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

Group level

The long-term and short-term "service concession receivables" relates to the Ywama gas-fired electricity generating power plant. The Group recognised the consideration receivables as financial receivables in accordance with INT FRS 112. The decrease was mainly due to payment received during the current period being partially offset by the accrued finance income which represents the interest income on the service concession receivables recognised using the effective interest method.

Total current assets increased by S\$5.4 million from S\$96.7 million as at 31 December 2015 to S\$102.1 million as at 31 March 2016. The increase was mainly due to higher cash inflows generated from operating activities.

With the higher bank balances and zero borrowing, the Group's current ratio increased from 19.9 times to 20.2 times as at 31 March 2016, whilst working capital balance increased from S\$91.9 million to S\$97.1 million. Against 31 December 2015, the Group's total equity increased by approximately S\$2.2 million to S\$185.7 million as at 31 March 2016.

Company level

The decrease in non-current assets was mainly due to reclassification of a portion of loan to a subsidiary which is due for repayment within one year to current assets.

Total current assets increased by S\$1.4 million from S\$104.8 million as at 31 December 2015 to S\$106.2 million as at 31 March 2016 mainly due to higher bank balances resulted from collection on behalf of a subsidiary.

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

As at 31 March 2016, the Group has cash and cash equivalents amounted to S\$60.1 million. This was 9.5% or S\$5.2 million higher (after taken into the effects of currency translation on cash and cash equivalents) compared to that as at 31 December 2015 due mainly to net cash generated from operations of S\$7.2 million.

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

No forecast was previously provided.

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 the paper mill business, the weak Malaysian Ringgit, which prompted domestic customers to substitute foreign supplies with domestic products, has generated better demand and prices for paper products manufactured by the Group in Malaysia. However, a slowdown in domestic consumption and export growth of manufactured goods from Malaysia may affected future demand growth for the Group's products. The Group will continue to monitor the key cost drivers whilst maintaining efficiency in the overall operations in order to remain competitive and profitable.

In Myanmar, the prospects for electricity demand are positive as the country has a low electrification rate of only 33%. An increase in electricity generation capacity is essential to improve living standards and establish the infrastructure for increased investments in the country. The Group's plant will continue to meet its obligations to Myanma Electric Power Enterprise (MEPE) in terms of minimum contracted production of power and gas efficiency.

The Group will continue to look for opportunities in the region and globally, but will remain cautious and mindful of risks, especially as economic conditions globally become more challenging.

11. Dividend

(a) Period ended 31 March 2016

Any dividend declared for the current financial period reported on?

None.

(b) Period ended 31 March 2015

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 2016.

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. Status on the use of net proceeds raised from Share Placement (completion of allotment on 16 May 2012)

As stated in the Annual Report 2015, the amount 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 this result announcement.

15. 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 2016 to be false or misleading in any material respect.

16. 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

Tong Kooi Ong
Executive Chairman

Koh Wan Kai
Executive Director

29 April 2016