

Unaudited Full Year Financial Statements Announcement

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

- 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.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	4Q FY2015 \$'000	4Q FY2014 \$'000		FY2015 \$'000	FY2014 \$'000	
Continuing operations						
Revenue	28,885	29,979	(4)	114,131	108,339	5
Cost of sales	(24,432)	(26,309)	(7)	(99,010)	(92,546)	7
Gross profit	4,453	3,670	21	15,121	15,793	(4)
Other income	10,311	51,715	(80)	12,102	55,771	(78)
Selling and distribution expenses	(563)	(671)	(16)	(2,669)	(3,525)	(24)
General and administrative expenses	(2,170)	(1,704)	27	(7,483)	(7,261)	3
Other expenses	(11,748)	(14,214)	(17)	(12,700)	(15,202)	(16)
Finance costs	(3,491)	(3,205)	9	(13,653)	(13,427)	2
(Loss)/profit before tax	(3,208)	35,591	>100	(9,282)	32,149	>100
Income tax credit/(expense)	521	(635)	>100	(251)	(975)	(74)
(Loss)/profit from continuing operations	(2,687)	34,956	>100	(9,533)	31,174	>100
Discontinued operation						
Profit/(loss) from discontinued operation (net of tax)*	-	1,186	NM	(44)	1,205	>100
(Loss)/profit for the period/year	(2,687)	36,142	>100	(9,577)	32,379	>100
(Loss)/profit attributable to :						
Owners of the Company	(426)	16,184	>100	(5,659)	12,909	>100
Non-controlling interests	(2,261)	19,958	>100	(3,918)	19,470	>100
(Loss)/profit for the period/year	(2,687)	36,142	>100	(9,577)	32,379	>100

Remark :

* Relates to the results of QF 10 Pte Ltd.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015

	The Group		Increase/ (Decrease) %	The Group		Increase/ (Decrease) %
	4Q FY2015 \$'000	4Q FY2014 \$'000		FY2015 \$'000	FY2014 \$'000	
(Loss)/profit for the period/year	(2,687)	36,142	>100	(9,577)	32,379	>100
Other comprehensive income						
Translation differences relating to financial statements of foreign subsidiaries	153	(269)	>100	(419)	(97)	>100
Total comprehensive income for the period/year	<u>(2,534)</u>	<u>35,873</u>	>100	<u>(9,996)</u>	<u>32,282</u>	>100
Total comprehensive income attributable to :						
Owners of the Company	(272)	15,866	>100	(5,985)	12,670	>100
Non-controlling interests	(2,262)	20,007	>100	(4,011)	19,612	>100
Total comprehensive income for the period/year	<u>(2,534)</u>	<u>35,873</u>	>100	<u>(9,996)</u>	<u>32,282</u>	>100

(A) Revenue

	The Group		The Group	
	4Q FY2015 \$'000	4Q FY2014 \$'000	FY2015 \$'000	FY2014 \$'000
Piling contract, construction, and rental and servicing of machinery	10,479	4,311	35,754	32,746
Trading of e-waste / metals	4,309	9,512	23,171	15,921
Recycling & refining of metals	9,294	8,519	36,098	37,484
Rental income from investment properties	4,642	7,217	18,457	20,882
Others	161	420	651	1,306
	<u>28,885</u>	<u>29,979</u>	<u>114,131</u>	<u>108,339</u>

(B) Profit/(loss) for the period/year

	<u>The Group</u>		<u>The Group</u>	
	4Q FY2015 \$'000	4Q FY2014 \$'000	FY2015 \$'000	FY2014 \$'000
<i>Profit/(loss) for the period/year is arrived at after:</i>				
Charging/(crediting):				
Amortisation of deferred income	(193)	(171)	(750)	(695)
Amortisation of intangible assets	28	(12)	114	158
Bad debts written off	2	-	2	-
Depreciation of property, plant and equipment	1,009	676	3,954	4,437
Fair value gain in investment properties	(10,238)	(52,346)	(10,238)	(52,346)
Foreign exchange loss/(gain)	161	(74)	8	310
Gain on disposal of a subsidiary	-	-	-	(2,675)
Gain on disposal of other investments	-	-	-	(4)
Gain on disposal of property, plant and equipment	-	(327)	(610)	(511)
Impairment losses on intangible assets	1,253	1,309	1,253	1,309
Impairment losses on other assets	2,249	1,930	2,249	1,930
Impairment losses on other investment	-	427	-	427
Impairment losses on property, plant and equipment	8,134	8,586	8,134	8,586
Net change in fair value of financial assets designated at fair value through profit or loss	-	51	-	(6)
Property, plant and equipment written off	8	37	23	37
Realised gain on financial derivative contract	-	-	-	(584)
(Reversal of)/allowance for impairment losses on trade and other receivables	(219)	376	(239)	381
(Reversal of)/allowance for write-down of inventories	(322)	937	(338)	857

(C) Finance costs (net)

	<u>The Group</u>		<u>The Group</u>	
	4Q FY2015 \$'000	4Q FY2014 \$'000	FY2015 \$'000	FY2014 \$'000
Interest income:				
- cash and cash equivalents	(38)	(14)	(124)	(225)
Interest expense:				
- Finance leases	10	6	31	47
- Bank loans	3,137	2,332	10,829	10,118
- Trust receipts	233	153	697	456
- Bank overdrafts	34	22	127	106
- Unsecured notes	105	643	2,012	2,550
- Third party	-	-	-	233
- Related company	22	22	88	88
- Others	(12)	41	(7)	54
	<u>3,529</u>	<u>3,219</u>	<u>13,777</u>	<u>13,652</u>
	<u>3,491</u>	<u>3,205</u>	<u>13,653</u>	<u>13,427</u>

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.

STATEMENTS OF FINANCIAL POSITION

	<u>The Group</u>		<u>The Company</u>	
	31.12.15 \$'000	31.12.14 \$'000	31.12.15 \$'000	31.12.14 \$'000
Non-current assets				
Property, plant and equipment	24,396	35,406	204	240
Investment properties	562,610	551,900	-	-
Intangible assets	-	1,367	-	-
Subsidiaries	-	-	18,379	18,379
Investment in jointly controlled entity	24	24	-	-
Other investments	5,512	5,512	5,512	5,512
Other assets	-	2,249	-	-
Trade and other receivables	658	826	-	-
	<u>593,200</u>	<u>597,284</u>	<u>24,095</u>	<u>24,131</u>
Current assets				
Inventories	5,335	4,973	-	-
Trade and other receivables	26,220	16,985	53,526	48,624
Cash and cash equivalents	4,182	4,034	202	391
Assets held for sale	-	7,041	-	-
	<u>35,737</u>	<u>33,033</u>	<u>53,728</u>	<u>49,015</u>
Total assets	<u>628,937</u>	<u>630,317</u>	<u>77,823</u>	<u>73,146</u>
Equity attributable to owners of the Company				
Share capital	95,888	95,888	95,888	95,888
Other reserve	(6,852)	(6,852)	-	-
Foreign currency translation reserve	(6,790)	(6,464)	-	-
Accumulated losses	(13,262)	(7,603)	(73,245)	(69,084)
	<u>68,984</u>	<u>74,969</u>	<u>22,643</u>	<u>26,804</u>
Non-controlling interests	<u>26,815</u>	<u>30,826</u>	-	-
Total equity	<u>95,799</u>	<u>105,795</u>	<u>22,643</u>	<u>26,804</u>
Non-current liabilities				
Loans and borrowings	409,435	246,714	30,000	-
Deferred income	233	944	-	-
Deferred tax liabilities	361	408	-	-
Trade and other payables	46,073	45,668	-	-
	<u>456,102</u>	<u>293,734</u>	<u>30,000</u>	-
Current liabilities				
Trade and other payables	37,426	24,265	25,180	16,342
Loans and borrowings	38,517	201,014	-	30,000
Deferred income	776	727	-	-
Current tax payable	317	565	-	-
Liabilities held for sale	-	4,217	-	-
	<u>77,036</u>	<u>230,788</u>	<u>25,180</u>	<u>46,342</u>
Total liabilities	<u>533,138</u>	<u>524,522</u>	<u>55,180</u>	<u>46,342</u>
Total equity and liabilities	<u>628,937</u>	<u>630,317</u>	<u>77,823</u>	<u>73,146</u>

1(b)(ii) Aggregate amount of group's borrowings and debt securities, including those held-for-sale.

Amount repayable in one year or less, or on demand.

As at 31.12.15		As at 31.12.14	
Secured	Unsecured	Secured	Unsecured
37,860,000	657,000	171,956,000	33,202,000

Amount repayable after one year.

As at 31.12.15		As at 31.12.14	
Secured	Unsecured	Secured	Unsecured
409,435,000	-	246,714,000	-

The Group's borrowings comprise obligations under finance leases, unsecured notes, secured bank loans, trust receipts and bank overdrafts.

Details of any collateral

The finance lease liabilities are secured on plant and equipment under the leases with carrying value of \$1,784,000(31 December 2014: \$1,722,000).

The trust receipts are used to finance the purchase of inventories with carrying value of \$5,406,000 (31 December 2014 : \$4,972,000). The banks have a lien over the title of such inventories.

The bank loans are secured by/on :

- a) First legal mortgages over leasehold properties with carrying amount of \$11,731,000(31 December 2014 : \$12,848,000);
- b) First legal mortgages over investment properties with carrying amount of \$196,610,000 (31 December 2014 : \$189,900,000);
- c) First legal mortgage over an investment property classified as asset held for sale with carrying amount of \$7,000,000 as at 31 December 2014;
- d) First and second legal mortgages over an investment property with carrying amount of \$366,000,000 (31 December 2014 : \$362,000,000);
- e) First fixed charge over 100% shareholdings of F2S1 Investment Pte Ltd;
- f) Fixed deposits amounting to \$1,000,000 (31 December 2014 : \$1,158,000);
- g) Fixed charges on certain plant and machinery with carrying amount of \$3,047,000 (31 December 2014 : \$3,811,000);
- h) Guarantees by the Executive Chairman of the Company; and
- i) Fixed charges on 200 million shares of the Company held by the Executive Chairman (31 December 2014: 200 million shares).

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.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FOURTH QUARTER AND YEAR ENDED 31 DECEMBER 2015

	4Q FY2015 \$'000	4Q FY2014 \$'000	FY2015 \$'000	FY2014 \$'000
Cash flows from operating activities				
(Loss)/profit for the period/year	(2,687)	36,142	(9,577)	32,379
Adjustments for:				
Impairment losses on property, plant and equipment	8,134	8,658	8,134	8,586
Impairment losses on other assets	2,249	1,930	2,249	1,930
Impairment losses on intangible assets	1,253	1,309	1,253	1,309
Impairment losses on other investment	-	427	-	427
Depreciation of property, plant and equipment	1,009	676	3,954	4,437
(Reversal of)/allowance for impairment losses on trade and other receivables	(219)	376	(239)	381
Finance income	(38)	(14)	(124)	(225)
Finance costs	3,529	3,245	13,806	13,777
Fair value gain in investment properties	(10,238)	(52,346)	(10,238)	(52,346)
Amortisation of intangible assets	28	(12)	114	158
Share-based payment transactions	-	280	-	280
Net change in fair value of financial assets designated at fair value through profit or loss	-	51	-	(6)
(Reversal of)/allowance for write-down of inventories	(322)	937	(338)	857
Gain on disposal of property, plant and equipment	-	(327)	(610)	(511)
Gain on disposal of other investments	-	-	-	(4)
Gain on disposal of a subsidiary	-	-	-	(2,675)
Amortisation of deferred income	(193)	(171)	(750)	(695)
Bad debts written off	2	-	2	-
Property, plant and equipment written off	8	37	23	37
Income tax (credit)/expense	(521)	635	252	975
Operating profit before working capital changes	1,994	1,833	7,911	9,071
Changes in working capital				
Inventories	1,235	3,970	203	1,869
Trade and other receivables	(3,873)	4,009	(8,289)	432
Trade and other payables	4,162	(1,353)	8,964	(2,013)
Cash generated from operations	3,518	8,459	8,789	9,359
Income taxes paid	(68)	(2)	(546)	(2)
Net cash from operating activities	3,450	8,457	8,243	9,357
Cash flows from investing activities				
Proceed from disposal of discontinued operation	-	-	2,427	-
Acquisition of property, plant and equipment	333	(498)	(452)	(1,954)
Payment for renovation of investment properties	(225)	-	(472)	(554)
Acquisition of a subsidiary, net of cash acquired	-	-	-	(12,000)
Refund of performance guarantee deposit from a director of a subsidiary	-	(2,000)	-	(2,000)
Proceeds from disposal of property, plant and equipment	-	334	819	934
Receipt of tax claims related to investment properties	-	-	-	9,854
Investment in and quasi-equity loan to other investee	-	-	-	(345)
Investment in and quasi-equity loan to a joint venture	-	(24)	-	(24)
Proceeds from disposal of other investments	-	-	-	607
Proceeds from disposal of a subsidiary	-	-	-	4,839
Payment of dividend to a subsidiary's non-controlling interests	-	-	-	(299)
Interest received	11	(97)	14	114
Net cash from/(used in) investing activities	119	(2,285)	2,336	(828)

Cash flows from financing activities

(Addition of)/deduction in deposits pledged	-	(1,053)	158	(1,053)
Proceeds from/(repayment of) long-term loans and borrowings	28,850	(980)	24,998	(11,931)
(Repayment of)/proceeds from short-term loans and borrowings	(1,237)	(2,642)	3,868	6,039
Proceed from finance lease	524	-	902	-
Payment of finance leases	(144)	(354)	(443)	(2,016)
Repayment of unsecured notes	(30,000)	-	(30,000)	-
Proceeds from loans from non-controlling interests	4,650	468	4,380	13,731
Interest paid	(5,174)	(1,377)	(14,063)	(12,776)
Net cash used in financing activities	<u>(2,531)</u>	<u>(5,938)</u>	<u>(10,200)</u>	<u>(8,006)</u>
Net increase in cash and cash equivalents	1,038	234	379	523
Effect of exchange rate fluctuation on cash held	(10)	171	87	464
Cash and cash equivalents at the beginning of the financial period/year	(888)	(731)	(326)	(1,313)
Cash and cash equivalents at the end of the financial period/year	<u>140</u>	<u>(326)</u>	<u>140</u>	<u>(326)</u>

Cash and cash equivalents are made up of the following:-

Cash at bank and on hand			2,979	2,831
Fixed deposits			<u>1,203</u>	<u>1,203</u>
			4,182	4,034
Less: Bank overdrafts			(3,042)	(3,202)
Less: Deposits pledged			<u>(1,000)</u>	<u>(1,158)</u>
Cash and cash equivalents at the end of the financial period/year			<u>140</u>	<u>(326)</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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Share capital</u> \$'000	<u>Foreign currency translation reserve</u> \$'000	<u>Other reserve</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total attributable to owners of the Company</u> \$'000	<u>Non-controlling interests</u> \$'000	<u>Total equity</u> \$'000
As at 1 January 2015	95,888	(6,464)	(6,852)	(7,603)	74,969	30,826	105,795
Changes in equity for the year							
Loss for the year	-	-	-	(5,659)	(5,659)	(3,918)	(9,577)
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations	-	(326)	-	-	(326)	(93)	(419)
Total comprehensive income	-	(326)	-	(5,659)	(5,985)	(4,011)	(9,996)
As at 31 December 2015	95,888	(6,790)	(6,852)	(13,262)	68,984	26,815	95,799
As at 1 January 2014	95,888	(6,225)	(6,852)	(20,792)	62,019	11,513	73,532
Changes in equity for the year							
Profit for the year	-	-	-	12,909	12,909	19,470	32,379
Other comprehensive income							
- Translation differences relating to financial statements of foreign operations	-	(239)	-	-	(239)	142	(97)
Total comprehensive income	-	(239)	-	12,909	12,670	19,612	32,282
Transactions with owners, recognised directly in equity							
- Dividends paid	-	-	-	-	-	(299)	(299)
- Share-based payment transactions	-	-	-	280	280	-	280
Total transaction with owners	-	-	-	280	280	(299)	(19)
As at 31 December 2014	95,888	(6,464)	(6,852)	(7,603)	74,969	30,826	105,795

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	<u>Share capital</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Total</u> \$'000
As at 1 January 2015	95,888	(69,084)	26,804
Changes in equity for the year			
Loss for the year	-	(4,161)	(4,161)
Total comprehensive income	-	(4,161)	(4,161)
As at 31 December 2015	<u>95,888</u>	<u>(73,245)</u>	<u>22,643</u>
As at 1 January 2014	95,888	(43,479)	52,409
Changes in equity for the year			
Loss for the year	-	(25,605)	(25,605)
Total comprehensive income	-	(25,605)	(25,605)
As at 31 December 2014	<u>95,888</u>	<u>(69,084)</u>	<u>26,804</u>

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.**

For the quarter ended 31 December 2015, there was no change to the share capital of the Company.

The Company did not have any outstanding convertibles and treasury shares 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.

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

Total number of issued shares excluding treasury shares: 1,026,650,198 (31 December 2014: 1,026,650,198)

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

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

The figures have not been audited or reviewed by the Company's auditors.

3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial statements have been prepared in accordance with the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2014.

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.

Not applicable.

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.**

	<u>The Group</u>			
	4Q FY2015	4Q FY2014	FY2015	FY2014
	\$	\$	\$	\$
(Loss)/earnings per share				
Basic and diluted (loss)/earnings per share (cents)	(0.04) cts	1.58 cts	(0.55) cts	1.26 cts
Continuing operations				
Basic and diluted (loss)/earnings per share (cents)	(0.04) cts	1.52 cts	(0.55) cts	1.20 cts
Discontinued operation				
Basic and diluted earnings/(loss) per share (cents)	-	0.06 cts	(0.00) cts*	0.06 cts
	4Q FY2015	4Q FY2014	FY2015	FY2014
	\$'000	\$'000	\$'000	\$'000
(Loss)/profit attributable to owners of the Company				
Continuing operations	(426)	15,579	(5,637)	12,294
Discontinued operation	-	605	(22)	615
	(426)	16,184	(5,659)	12,909

*: Denotes less than 0.01 cts.

Basic and diluted earnings per share is computed based on weighted average number of shares of the company in issue.

Weighted average number of shares ('000)	1,026,650	1,026,650	1,026,650	1,026,650
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7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

	<u>The Group</u>		<u>The Company</u>	
	31.12.15	31.12.14	31.12.15	31.12.14
Net asset value per ordinary share for the Group and the Company	6.72 cts	7.30 cts	2.21 cts	2.61 cts

Net asset value per ordinary share for the Group and the Company are computed based on the net asset value of the Group and the Company after deduction of non-controlling interests divided by the number of ordinary shares of the Company in issue as at 31 December 2015 of 1,026,650,198 shares (31 December 2014: 1,026,650,198 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:-**
(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.

STATEMENTS OF FINANCIAL POSITION

Comparing 31 December 2015 with 31 December 2014 figures:

- (i) The decrease in property, plant and equipment was due mainly to depreciation of \$4.0 million for the current financial year and impairment losses recorded in 4Q FY2015 for plastic-to-fuel ("PTF") refining and construction related plant and equipment amounting to \$7.5 million and \$0.6 million, respectively. Full impairment of the Group's PTF refining related plant and equipment was made during the current financial year as the commencement of PTF refining mass production is expected to be delayed due to the slump in oil prices and instability of the global economy.
- (ii) The increase in investment properties was attributed mainly to fair value gain from 1 Selegie Road, PoMo and strata industrial units held at 63 Hillview Avenue, Lam Soon Industrial Building.
- (iii) These intangible assets relate to patented technology for converting waste plastic into usable liquid hydrocarbon fuel oil which was acquired under a joint venture agreement dated 28 September 2011. These intangible assets were fully impaired during the current financial year, the rationale as explained in commentary item (i) above.
- (iv) Other assets comprised deposit payments made for PTF refining related plant and equipment. These assets were fully impaired during the current financial year, the rationale as explained in commentary item (i) above.
- (v) The substantial increase in trade and other receivables was attributed mainly to higher construction related receivables recorded by Leong Hin Builders Pte Ltd relating to the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) for the construction of a 7-storey multi-user general industrial development located at 60 Jalan Lam Huat, Singapore.
- (vi) As at 31 December 2014, the assets and liabilities held for sale were related to the Group's 51% owned subsidiary, QF 10 Pte Ltd, which was classified as held for sale as the Group's management was committed to sell and the sale was highly probable. The sale was completed on 10 April 2015. Details of the disposal were announced via SGXNET on 18 December 2014, 9 February 2015 and 10 April 2015.
- (vii) Total loans and borrowings remained relatively stable year-on-year. The significant decrease in short term loans and borrowings with corresponding increase in long term loans and borrowings was attributed to restructuring of the Group's loans and borrowings during 4Q FY2015. The short term loans had been replaced with long term loans, thus reclassified from short term to long term loans and borrowings.
- (viii) Trade and other payables were higher due mainly to higher construction related payables recorded by Leong Hin Builders Pte Ltd relating to the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014).
- (ix) As at 31 December 2015, the Group's current liabilities exceeded its current assets by \$41.3 million. Notwithstanding this, the financial statements of the Group have been prepared on a going concern basis as the Board, having assessed the financial position and funding options of the Group, believes that the Group and the Company have adequate resources to continue its operations for the foreseeable future. The liquidity requirements of the Group could be met by cash inflows from operating activities, fund raising activities and continued financial support from the JV partner of the Group.

STATEMENT OF COMPREHENSIVE INCOME

Comparing FY2015/4Q FY2015 figures with FY2015/4Q FY2014 figures:

- (i) Revenue for FY2015 improved by \$5.8 million or 5% from \$108.3 million to \$114.1 million, which was contributed by the recycling and construction businesses. 4Q FY2015 revenue was relatively stable, declining by \$1.1 million or 4% from \$30.0 million to \$28.9 million, which was due mainly to reduction in sales volume of low profit margin recycling materials and lower revenue from piling projects, but was partially negated by higher construction revenue.
- (ii) Gross profit for FY2015 dropped marginally by \$0.7 million or 4% due mainly to lower gross profit from the property business attributable to the effect of a non-cash accounting adjustment made in 4Q FY2014 required by accounting standards and higher property tax expenses, and fewer projects completed for the piling business. However, the decline in gross profit was partially offset by improved margins achieved from the recycling business and by the construction business from its first year contribution from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014).

For 4Q FY2015, gross profit improved by \$0.8 million or 21%, which was attributed to the recycling and construction businesses. Gross profit for the recycling business was higher due to improved margins achieved while the construction business recorded its first year of contribution from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014). However, gross profit for the property business was adversely affected by the effect of a non-cash accounting adjustment made in 4Q FY2014 required by accounting standards and higher property tax expenses.
- (iii) Other income for FY2014/4Q FY2014 was significantly higher as compared to FY2015/4Q FY2015 due to higher fair value gain for 1 Selegie Road, PoMo, and strata industrial units held at 63 Hillview Avenue, Lam Soon Industrial Building, and gain on disposal of a subsidiary, HCG Environment Pte Ltd, in 3Q FY2014, details of which were announced through SGX-ST on 6 June 2014 and 24 July 2014.
- (iv) The decrease in other expenses for FY2015/4Q FY2015 was due to lower impairment losses on property, plant and machinery, the absence of impairment losses on other investment, share-based payment and profit sharing, and reversal of impairment losses on trade and other receivables in the current financial year.
- (v) Selling and distribution expenses, general and administrative expenses and finance costs for FY2015/4Q FY2015 were generally comparable to FY2014/4Q FY2014.
- (vi) For FY2014/4Q FY2014, profit from discontinued operation was attributed to fair value gain of \$1.2 million recognized in 4Q FY2014 for the investment properties held by QF10 Pte Ltd. QF10 Pte Ltd had since been disposed with completion on 10 April 2015. Details of the disposal were announced via SGXNET on 18 Dec 2014, 9 Feb 2015 and 10 Apr 2015.

SEGMENT RESULTS

Comparing FY2015/4Q FY2015 figures with FY2015/4Q FY2014 figures:

- (i) Revenue
Trading of e-waste / metals business segment contributed \$23.2 million or 20% and \$15.9 million or 15% of the Group's revenue for FY2015 and FY2014, respectively. The increase was attributed to improved demand.

Recycling and refining of metals business segment, which comprised the recycling, extraction and refining of Platinum Group Metals (PGM) and copper, contributed \$36.1 million or 32% and \$37.5 million or 35% of the Group's revenue for FY2015 and FY2014, respectively. Revenue was relatively stable year-on-year.

Investment properties business segment, excluding the discontinued operation, contributed \$18.5 million or 16% and \$20.9 million or 19% of the Group's revenue for FY2015 and FY2014, respectively. The decrease was attributed to the effect of a non-cash accounting adjustment made in 4Q FY2014 required by accounting standards.

Piling contract, construction, and rental and servicing of machinery business segment contributed \$35.8 million or 31% and \$32.7 million or 30% of the Group's revenue for FY2015 and FY2014, respectively. The increase was attributed to revenue contribution from the joint operation with SB Procurement Pte Ltd (as announced via SGXNET on 18 May 2014) for the construction of a 7-storey multi-user general industrial development located at 60 Jalan Lam Huat, Singapore, but was offset by the slowdown in piling business.

PTF refining business segment did not record any revenue as it had not commenced operation.

(ii) Profitability

The trading of e-waste / metals and recycling and refining of metals business segments turned around from a segmental loss of \$4.5 million to a segmental profit of \$0.9 million. The improved performance was attributed to better margins achieved, absence of impairment losses on property, plant and equipment and other investment, reversal of allowance on trade and other receivables versus allowance made during FY2014 and reversal of allowance for write-down of inventories versus allowance made during FY2014.

Segment results from the investment properties business segment, excluding the discontinued operation, decreased significantly from \$65.0 million to \$20.2 million due mainly to lower fair value gain recorded for the Group's investment properties at 1 Selegie Road, PoMo, and strata industrial units held at 63 Hillview Avenue, Lam Soon Industrial Building.

Segment results from the piling contract, construction, and rental and servicing of machinery business segment decreased from \$2.6 million to \$0.1 million due mainly to fewer projects completed for the piling business.

The PTF refining business segment continued to record losses at \$12.3 million for FY2015 and \$11.5 million for FY2014 due mainly to impairment losses on property, plant and equipment, intangible assets and other assets as a result of delay in the commencement of PTF refining mass production due to the slump in oil prices and instability of the global economy.

STATEMENT OF CASH FLOWS

Comparing FY2015/4Q FY2015 figures with FY2015/4Q FY2014 figures:

- (i) For FY2015, cashflows from operating activities were relatively stable year-on-year. For 4Q FY2015, changes in cashflows from operating activities compared to 4Q FY2014 were due mainly to changes in working capital.
- (ii) Cashflows generated from investing activities in FY2015 were attributed mainly to sale proceeds received from the disposal of QF 10 Pte Ltd. Net cash used in investing activities for FY2014 was attributed mainly to payment made relating to the acquisition of a subsidiary, F2S1 Investment Pte Ltd, and purchase of property, plant and equipment but was offset by receipt of tax claim related to acquisition of investment properties and sale proceeds received from disposal of a subsidiary, HCG Environment Pte Ltd.
- The net cash inflow from investing activities in 4Q FY2015 as compared to net cash outflow in corresponding period in FY2014 was due mainly to the refund of performance guarantee deposit from a director of a subsidiary in 4Q FY2014.
- (iii) The increase of net cash outflows from financing activities in FY2015 was due to higher repayment of borrowings compared to proceeds from borrowings. The decrease in net cash outflows from financing activities in 4Q FY2015 was due to higher proceeds from borrowings, but was partially offset by repayment of borrowings and interest paid.

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 statements were previously made.

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 will continue to explore expansion opportunities in property investment and management and control its operating costs.

11 If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b) Final ordinary dividend

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for the period under review.

- 13 If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If not IPT mandate has been obtained, a statement to that effect.

Name of interested person	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under Shareholders' Mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Carros Project Management Pte Ltd (previously known as "Lam Huat Development Pte Ltd")	Shareholder's loan - Nil (note 1)	-
	Interest income - \$110,234	-
EH Property & Investments Pte Ltd	Shareholder's loan - \$245,052 (note 2)	-
Kranji Development Pte Ltd	-	Construction-related revenue - S\$249,711 (note 3)

Notes:

- (1) The Company has an existing obligation to make available a shareholder's loan ("CPM Shareholder's Loan") of up to an aggregate amount of S\$8 million to Carros Project Management Pte Ltd ("Carros Project Management", previously known as Lam Huat Development Pte Ltd), to fund the joint venture entered into between the Company and BS Capital Pte Ltd, details of the CPM Shareholder's Loan of which were set out in the Company's annual report for the financial year ended 31 December 2012. As at the financial year ended 31 December 2015, the Company has disbursed an aggregate amount of S\$5,511,695 to Carros Project Management pursuant to the CPM Shareholder's Loan.
- (2) The Company has an existing obligation to fund the joint venture entered into between the Company and BS Capital Pte. Ltd. in relation to EH Property & Investments Pte. Ltd. ("EH Property") by way of shareholder's loan ("EH Property Shareholder's Loan"). Details of the joint venture and the EH Property Shareholder's Loan were set out in the Company's circular to shareholders dated 29 August 2013 and the Company's announcements on the SGXNET dated 25 June 2013, 8 July 2013 and 24 February 2014. As at the financial year ended 31 December 2015, the Company has disbursed an aggregate amount of S\$47,953,071 to EH Property pursuant to the EH Property Shareholder's Loan.
- (3) The Company has, at the Company's AGM held on 28 April 2015, obtained a renewal of the shareholders' general mandate ("IPT Mandate") for (i) the grant of corporate guarantees by the Company to banks and financial institutions for banking and financing facilities to be granted to the Company's subsidiaries which fall within the definition of "interested person" as defined in Chapter 9 of the Listing Manual from time to time; and (ii) the provision of construction-related services by a wholly-owned subsidiary of the Company, Leong Hin Piling (Pte.) Limited, its subsidiaries and associated companies from time to time, or any of them, to Mr Raymond Ng Ah Hua and his associates which are expected to be recurrent in nature. For the financial year ended 31 December 2015, the Group has entered into IPT transactions amounting to S\$249,711 under the IPT Mandate.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 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.**

Information on reportable segments

Year ended 31 December 2015

The Group	Trading of e-waste / metals \$'000	Recycling & refining of metals \$'000	Investment properties \$'000	Investment properties (discontinued operation) \$'000	Plastics to fuel refining \$'000	Piling contract, construction, and rental & servicing of machinery \$'000	Total \$'000
External revenue	23,171	36,098	18,457	52	-	35,754	113,532
Inter-segment revenue	9,978	18,716	1,878	-	-	-	30,572
Depreciation of property, plant and equipment	(83)	(232)	(426)	-	(115)	(2,362)	(3,218)
Reportable segment profit/(loss) before tax and finance costs	1,192	(251)	20,210	(12)	(12,262)	99	8,976
Other material non-cash items:							
- Reversal of allowance for write-down of inventories	22	316	-	-	-	-	338
- Amortisation of deferred income	-	622	-	-	-	-	622
- Gain on disposal of property, plant and equipment	-	-	-	-	-	610	610
- Amortisation of intangible assets	-	-	-	-	(114)	-	(114)
- Property, plant and equipment written off	-	(8)	(15)	-	-	-	(23)
- Impairment losses on property, plant and equipment	-	-	-	-	(7,555)	(579)	(8,134)
- Impairment losses on intangible assets	-	-	-	-	(1,253)	-	(1,253)
- Impairment on other assets	-	-	-	-	(2,249)	-	(2,249)
- Reversal of/(allowance for) impairment losses on trade and other receivables	-	241	(2)	-	-	-	239
- Fair value gain in investment properties	-	-	10,238	-	-	-	10,238
Reportable segment assets	1,364	7,020	567,124	-	420	31,931	607,859
Capital expenditure	30	170	362	-	-	745	1,307
Reportable segment liabilities	7,046	21,805	431,957	-	5,622	20,719	487,149

Year ended 31 December 2014

The Group	Trading of e-waste / metals \$'000	Recycling & refining of metals \$'000	Investment properties \$'000	Investment properties (discontinued operation) \$'000	Plastics to fuel refining \$'000	Piling contract, construction, and rental & servicing of machinery \$'000	Total \$'000
External revenue	15,921	37,484	20,882	219	-	32,746	107,252
Inter-segment revenue	2,454	7,697	1,039	-	-	-	11,190
Depreciation of property, plant and equipment	(18)	(854)	(114)	-	(189)	(2,228)	(3,403)
Reportable segment profit/(loss) before tax and finance costs	2,991	(7,496)	65,045	1,205	(11,496)	2,567	52,816
Other material non-cash items:							
- Allowance for write-down of inventories	(135)	(722)	-	-	-	-	(857)
- Amortisation of deferred income	-	577	-	-	-	-	577
- Gain on disposal of property, plant and equipment	-	-	-	-	-	511	511
- Amortisation of intangible assets	-	-	-	-	(158)	-	(158)
- Property, plant and equipment written off	-	(34)	-	-	-	-	(34)
- Impairment losses on property, plant and equipment made/(reversed)	-	(2,357)	-	-	(6,747)	518	(8,586)
- Impairment losses on intangible assets	-	-	-	-	(1,309)	-	(1,309)
- Impairment losses on other assets	-	-	-	-	(1,930)	-	(1,930)
- Impairment losses on other investment	-	(427)	-	-	-	-	(427)
- Allowance for impairment losses on trade and other receivables	(82)	(234)	(65)	-	-	-	(381)
- Fair value gain in investment properties	-	-	51,156	1,190	-	-	52,346
Reportable segment assets	1,686	7,002	557,331	7,041	12,141	23,905	609,106
Capital expenditure	127	128	746	-	2	805	1,808
Reportable segment liabilities	3,218	19,349	439,163	4,217	5,729	13,560	485,236

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities and other material items

Revenue	2015 \$'000	2014 \$'000
Total revenue for reportable segments	144,104	118,442
Revenue from other segments	1,315	1,306
Elimination of inter-segment revenue	(31,236)	(11,190)
Elimination of discontinued operation	(52)	(219)
Consolidated revenue	114,131	108,339

Profit or loss

Total profit for reportable segments before tax and finance costs	8,976	52,816
Elimination of inter-segment loss	31	126
Elimination of discontinued operation	12	(1,205)
Unallocated amounts:		
- Other corporate expenses	(18,301)	(19,588)
Consolidated (loss)/profit before tax from continuing operations	<u>(9,282)</u>	<u>32,149</u>

Assets

Total assets for reportable segments	607,835	609,082
Investment in jointly controlled entity	24	24
Other unallocated amounts	21,078	21,211
Consolidated total assets	<u>628,937</u>	<u>630,317</u>

Liabilities

Total liabilities for reportable segments	487,149	481,092
Other unallocated amounts	45,989	43,430
Consolidated total liabilities	<u>533,138</u>	<u>524,522</u>

Other material items 2015

	Reportable segment total \$'000	Adjustments \$'000	Consolidated total \$'000
Depreciation of property, plant and equipment	(3,218)	(736)	(3,954)
Reversal of allowance for write-down of inventories	338	-	338
Amortisation of deferred income	622	128	750
Property, plant and equipment written off	(23)	-	(23)
Gain on disposal of property, plant and equipment	610	-	610
Impairment losses on property, plant and equipment	(8,134)	-	(8,134)
Impairment losses on intangible assets	(1,253)	-	(1,253)
Impairment losses on other assets	(2,249)	-	(2,249)
Fair value gain in investment properties	10,238	-	10,238
Reversal of impairment losses on trade and other receivables	239	-	239
Capital expenditure	1,307	47	1,354
Amortisation of intangible assets	(114)	-	(114)

Other material items 2014

	Reportable segment total \$'000	Adjustments \$'000	Consolidated total \$'000
Depreciation of property, plant and equipment	(3,403)	(1,034)	(4,437)
Allowance for write-down of inventories	(857)	-	(857)
Amortisation of deferred income	577	118	695
Property, plant and equipment written off	(34)	(3)	(37)
Gain on disposal of property, plant and equipment	511	-	511
Impairment losses on property, plant and equipment	(8,586)	-	(8,586)
Impairment losses on intangible assets	(1,309)	-	(1,309)
Impairment losses on other assets	(1,930)	-	(1,930)
Impairment losses on other investment	(427)	-	(427)
Fair value gain in investment properties	52,346	-	52,346
Allowance for impairment losses on trade and other receivables	(381)	-	(381)
Capital expenditure	1,808	527	2,335
Amortisation of intangible assets	(158)	-	(158)

Geographical information

31 December 2015

Singapore
Hong Kong and China
Malaysia
Europe
Other

Revenue \$'000	Non-current assets \$'000
102,698	593,199
8,294	-
720	-
2,040	1
379	-
<u>114,131</u>	<u>593,200</u>

31 December 2014

Singapore
Hong Kong and China
Malaysia
Europe
Other

Revenue \$'000	Non-current assets \$'000
87,403	595,727
19,665	-
939	-
130	1,557
202	-
<u>108,339</u>	<u>597,284</u>

Major customer

Revenue from a customer of the Group's recycling and refining of metals business segment represents approximately 14% (2014: 17%) of the Group's revenue for FY2015.

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.

Please refer to paragraph 8 above.

16 A breakdown of sales.

<u>The Group</u>	FY2015 \$'000	FY2014 \$'000	Increase/ (Decrease) %
a) Sales reported for the first half year	54,971	52,980	4
b) Operating loss after tax before deducting non-controlling interests reported for first half year	(4,738)	(4,644)	2
c) Sales reported for the second half year	59,160	55,359	7
d) Operating (loss)/profit after tax before deducting non-controlling interests reported for second half year	(4,839)	37,023	>100

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

Annual Dividend (S\$'000)	FY2015	FY2014
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 officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Relationship	Position held	Details of changes in duties and position held, if any, during the year
Ng Yoke Cheng	24	Niece of Mr Ng Ah Hua, who is the Executive Chairman of the Group and substantial shareholder of the Company	Director of Enviro Restorer SRL and Enviro Restorer (Como) SRL since 2014	No change.

Save as disclosed above, there are no other persons holding managerial positions in the Group who are related to the directors, chief executive officer or substantial shareholders of the Company or of any of its principal subsidiaries.

BY ORDER OF THE BOARD

JOANNA LIM
Company Secretary
25 February 2016