



# ABUNDANCE INTERNATIONAL LIMITED

洋裕国际有限公司

(Singapore Co. Reg. No: 197501572K)

## NEWS RELEASE - FOR IMMEDIATE RELEASE

### Results for first half ended 30 June 2016 (“1H2016”)

	<b>HY2016</b>	<b>FY2015<sup>(3)</sup></b>	<b>FY2014</b>	<b>FY2013</b>
Revenue	US\$23,959,000 <sup>(1)</sup>	S\$13,414,000 <sup>(2)</sup>	S\$13,299,000 <sup>(2)</sup>	S\$14,606,000 <sup>(2)</sup>
Total loss attributable to the Shareholders	US\$247,000	S\$9,235,000	S\$3,929,000	S\$3,731,000

Notes:

<sup>(1)</sup> Revenue predominantly from the new chemical trading business which first commenced in January 2016.

<sup>(2)</sup> Revenue predominantly from the printing business.

<sup>(3)</sup> FY2015 covers the period of 15 months from 1 October 2014 to 31 December 2015.

## - PRESERVING AND ENHANCING SHAREHOLDERS' VALUE

Singapore, 8 August 2016 – SGX Catalist-listed Abundance International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) today announced its results for the half year ended 30 June 2016 (“**1H2016**”).

- Arising from the chemicals trading business, the Group recorded US\$24 million of revenue and a corresponding US\$23 million of cost of goods sold for 1H2016, thereby recording a gross margin of 4% for 1H2016. Salaries and employee benefits of US\$0.5 million, finance costs of US\$0.04 million and other operating expenses of US\$0.6 million were also incurred, relating to the chemicals trading business. Other operating expenses include bank charges, entertainment expenses, legal and professional fees and exchange difference.
- The Group recorded a US\$0.07 million gain from discontinued operations compared to a US\$1.7 million loss from discontinued operations for 1H2015.

Executive Director, Mr Sam Kok Yin said, “*As previously announced, the Group has ceased internal production in respect of the printing business. Any outstanding and new sales orders that have been or may be received in respect of the printing business will be outsourced to other printers to produce on behalf of the Group. This would stem the losses consistently suffered by the printing business over the past several years and stop further erosion of shareholders’ value. With that done, our next aim would be to enhance shareholders’ value by leveraging on our new business segments.*”

*Our chemical trading business, conducted via Orient-Salt Chemicals Pte Ltd (“**OSC Singapore**”) and its subsidiaries (the “**OSC Group**”) achieved revenue of US\$23,959,000*

*for the six months ended 30 June 2016. This is despite the OSC Group having limited working capital as it did not have access to any trade facilities from banks.”*

On 17 June 2016, the Company announced:

- (a) a placement of 57,150,000 new ordinary shares at the issue price of S\$0.07 each (the “**Placement**”);
- (b) a rights issue (the “**Rights Issue**”) of up to S\$12,855,000 in principal amount (the “**Principal Amount**”) of zero coupon bonds due 2020 (the “**Bonds**”), with up to 642,750,000 free detachable European warrants (the “**Warrants**”), with each Warrant carrying the right to subscribe for one new ordinary share at an exercise price of S\$0.02 each, on the basis of one Bond of principal amount S\$0.02 each with one free Warrant for every existing share in the capital of the Company. The issue price of the Bonds will comprise 80 per cent. of the Principal Amount; and
- (c) an agreement to purchase the remaining 49% in OSC Singapore (the “**Acquisition**”).

On 5 August 2016, the Company further announced that OSC Singapore has accepted an uncommitted trade finance related facility of up to S\$14,000,000 made available by an international bank (the “**Facility**”).

Mr Sam further commented, “*As compared to HY2016, the revenue of the OSC Group for the remaining 6 months of FY2016 is expected to be higher due to:*

- *OSC Singapore’s wholly-owned subsidiary in the People’s Republic of China commencing operations in August/September 2016;*
- *the availability of the Facility; and*
- *the completion of the Placement and the anticipated completion of the Rights Issue, which will significantly improve the Company’s cash flow position and allow it to give financial support to the OSC Group as and when deem necessary.*

*Completion of the Acquisition will also allow us to take in the entire financial performance of the OSC Group going forward.”*

..... End .....

#### About Abundance International Limited

Incorporated in Singapore in 1975 and listed on SGX Sesdaq in 2000, the Company was engaged primarily in the business of commercial printing of books, calendars and other publications. In 2015, it diversified its business scope to include Chemicals and Investments. As of today, chemical trading makes up the bulk of the Group’s business activities.

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