

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2018

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE (“HY”) 2018

1(a)(i) 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

	Group		
	Unaudited HY 2018 RMB'000	Unaudited HY 2017 RMB'000	% Change Increase/ (Decrease)
<u>Continuing operation</u>			
Revenue	217,296	242,046	(10)
Cost of Sales	(205,557)	(209,016)	(2)
Gross Profit	<u>11,739</u>	<u>33,030</u>	(64)
Other Income	136	4	3,300
Administrative Expenses	(5,184)	(4,187)	24
Finance Costs	(17)	(21)	(19)
Other expenses	-	(159)	(100)
Profit before income tax	<u>6,674</u>	<u>28,667</u>	(77)
Income Tax Expense	(1,508)	(5,337)	(72)
Profit from continuing operations, net of tax	<u>5,166</u>	<u>23,330</u>	(78)
<u>Discontinued operations</u> ⁽¹⁾			
Loss from discontinued operations, net of tax	-	(2,207)	n.m.
Profit for the year	<u>5,166</u>	<u>21,123</u>	
Other comprehensive income/(loss):			
Items that are or may be reclassified subsequently to profit and loss:			
Currency translation differences arising on consolidation	3,403	(1,705)	n.m.
Total comprehensive income for the year	<u>8,569</u>	<u>19,418</u>	(56)
Profit attributable to:			
Equity holders of the Company	794	7,648	(90)
Non-controlling interests	4,372	13,475	(68)
	<u>5,166</u>	<u>21,123</u>	(76)
Profit/(loss) attributable to equity holders of the Company relates to:			
Profit from continuing operations	794	9,855	
Loss from discontinued operations	-	(2,207)	
	<u>794</u>	<u>7,648</u>	
Total comprehensive income attributable to:			
Equity holders of the Company	3,120	6,798	(54)
Non-controlling interests	5,449	12,620	(57)
	<u>8,569</u>	<u>19,418</u>	(56)

n.m.: denotes not meaningful

Note:

- (1) Due to the disposal which was completed on 12 October 2017, Beijing Raffles Investment Advisory Co. Ltd (“Beijing Raffles” and collectively, with its subsidiaries, the “Beijing Raffles Group”) ceased to be a subsidiary of the Company. As such, pursuant to FRS105, under “Non-current Assets Held for Sale and Discontinued Operations”, a “discontinued operation” is a component of an entity that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area. The management of the Company (the “Management”) has assessed and is satisfied that the Beijing Raffles Group has met the criteria under FRS 105 as “discontinued operation”. Hence, the comparative unaudited financial statements for the six months ended 30 June 2017 had been restated to include results from Beijing Raffles Group, in accordance with the requisite presentation and disclosure prescribed under FRS 105. In previous 2017 half yearly announcement dated 14 August 2017, there is no accounting records available due to management dispute.

1(a)(ii) Profit, net of tax, is arrived at after (charging)/crediting the following:

	Group		
	Unaudited	Unaudited	% Change
	HY 2018	HY 2017	Increase/
	RMB'000	RMB'000	(Decrease)
After (charging)/ crediting:			
<u>Continued operations</u>			
Depreciation of plant and equipment	(109)	(98)	11
Plant and equipment written off	-	(2)	(100)
Foreign exchange gain/(loss)	256	(159)	(261)
Interest expenses	(17)	(21)	(19)
<u>Discontinued operations</u>			
Amortisation of intangible assets	-	(71)	n.m.
Amortisation of land use right	-	(13)	n.m.
Depreciation of plant and equipment	-	(2,856)	n.m.
Plant and equipment written off	-	(193)	n.m.
Interest expenses	-	3	n.m.
Interest income	-	75	n.m.

n.m.: denotes 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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	Unaudited 30.06.2018	Audited 31.12.2017	Unaudited 30.06.2018	Audited 31.12.2017
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
<u>Non-Current Assets</u>				
Property, Plant and Equipment	743	761	743	761
Goodwill	13,434	13,434	-	-
Investments in subsidiaries	-	-	76,093	76,093
Total Non-Current Assets	14,177	14,195	76,836	76,854
<u>Current Assets</u>				
Trade and other receivables	259,553	193,933	94,772	48,554
Bank and cash balances	7,033	22,855	882	18,701
Total Current Assets	266,586	216,788	95,654	67,255
Total Assets	280,763	230,983	172,490	144,109
EQUITY AND LIABILITIES				
<u>Equity</u>				
Share capital	181,365	151,560	181,365	151,560
Accumulated profits/(losses)	7,455	6,661	(34,912)	(31,065)
Currency translation reserve	(7,541)	(9,867)	2,271	727
Equity, attributable to equity holders of the Company	181,279	148,354	148,724	121,222
Non-controlling interests	65,376	59,927	-	-
Total Equity	246,655	208,281	148,724	121,222
<u>Non-Current Liabilities</u>				
Borrowings	571	669	571	669
Total Non-Current Liabilities	571	669	571	669
<u>Current Liabilities</u>				
Trade and other payables	28,850	16,198	22,625	21,649
Borrowings	502	501	502	501
Income tax payable	4,185	5,334	68	68
Total Current Liabilities	33,537	22,033	23,195	22,218
Total Liabilities	34,108	22,702	23,766	22,887
Total Equity and Liabilities	280,763	230,983	172,490	144,109

1(b)(ii) In relation to the aggregate amount of the Group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year

	Group	
	Unaudited	Audited
	30.06.2018	31.12.2017
	RMB'000	RMB'000
Payable in one year or less, or on demand		
Secured		
Obligation under finance leases (a)	186	183
Unsecured		
Term loan	316	318
	502	501
Payable after one year		
Secured		
Obligation under finance leases (a)	571	669
	571	669
TOTAL	1,073	1,170

Details of any collateral

- a) The obligations under finance leases are secured by charges of the lessors (banks) over the leased assets of the Group.

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

	Group	
	Unaudited HY 2018 RMB'000	Unaudited HY 2017 RMB'000
<u>Cash flows from operating activities</u>		
Profit before tax from continuing operations	6,674	28,667
Loss before tax from discontinued operations	-	(2,207)
Profit before tax, total	6,674	26,460
Adjustments for:		
Interest income	-	(75)
Interest expense	17	21
Depreciation of property, plant and equipment	109	2,954
Provision for safety expenses	-	251
Amortisation of intangible assets and land use rights	-	84
Plant and equipment written off	-	195
Operating cash flows before working capital changes	6,800	29,890
Inventories	-	(601)
Receivables	(61,291)	(174,676)
Payables	11,967	109,245
Currency translation adjustments	32	908
Cash used in operations	(42,492)	(35,234)
Income tax paid	(2,694)	(2,344)
Net cash used in operating activities	(45,186)	(37,578)
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(78)	(1,552)
Interest received	-	75
Net cash flows used in investing activities	(78)	(1,477)
<u>Cash flows from financing activities</u>		
Interest paid	(17)	(21)
Finance lease repayment	(108)	(34)
Proceeds from issuance of new shares, net of issuance expenses	29,805	18,747
Capital contribution by non-controlling interest	-	37,609
Net cash flows from financing activities	29,680	56,301
Net (decrease)/increase in cash and cash equivalents	(15,584)	17,246
Cash and cash equivalents, beginning balance	22,855	17,979
Effects of exchange rate changes on cash and cash equivalents	(238)	(378)
Cash and cash equivalents, ending balance	7,033	34,847

For the purpose of presentation the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

	Group	
	Unaudited	Unaudited
	HY 2018	HY 2017
	RMB'000	RMB'000
Bank and cash balances		
- Continuing operations	7,033	20,312
- Discontinued operations	-	14,535
Cash and cash equivalents per consolidated statement of cash flow	<u>7,033</u>	<u>34,847</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

Group

	Share capital RMB'000	Accumulated (losses)/profits RMB'000	Statutory reserve RMB'000	Translation reserve RMB'000	Attributable to equity holders of the Company RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
As at 1 January 2018	151,560	6,661	-	(9,867)	148,354	59,927	208,281
Profit for the year	-	794	-	-	794	4,372	5,166
<i>Other comprehensive income</i>							
Currency translation differences arising on consolidation	-	-	-	2,326	2,326	1,077	3,403
Total comprehensive income for the financial year	-	794	-	2,326	3,120	5,449	8,569
Issue of shares	30,179	-	-	-	30,179	-	30,179
Share issue expenses	(374)	-	-	-	(374)	-	(374)
As at 30 June 2018	181,365	7,455	-	(7,541)	181,279	65,376	246,655
As at 1 January 2017	133,252	(24,745)	17,659	(5,121)	121,045	12,149	133,194
Profit for the year	-	13,747	-	-	13,747	13,877	27,624
<i>Other comprehensive income/(loss)</i>							
<i>Reclassification of currency translation reserve upon disposal of subsidiaries</i>	-	-	-	229	229	-	229
differences arising on consolidation	-	-	-	(4,975)	(4,975)	(2,897)	(7,872)
Total comprehensive income for the financial year	-	13,747	-	(4,746)	9,001	10,980	19,981
Disposal of a subsidiary	-	17,659	(17,659)	-	-	(811)	(811)
Issue of shares	18,747	-	-	-	18,747	-	18,747
Share issue expenses	(439)	-	-	-	(439)	-	(439)
Capital contribution by non-cont	-	-	-	-	-	37,609	37,609
As at 31 December 2017	151,560	6,661	-	(9,867)	148,354	59,927	208,281

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 (continued)

Company

	Share capital RMB'000	Accumulated (losses)/profits RMB'000	Currency translation reserve RMB'000	Total equity RMB'000
As at 1 January 2018	151,560	(31,065)	727	121,222
Loss for the period	-	(3,847)	-	(3,847)
Other comprehensive loss				
Currency translation differences arising from translation into the presentation currency	-	-	1,544	1,544
Total comprehensive income for the year	-	(3,847)	1,544	(2,303)
Issue of share capital	30,179	-	-	30,179
Share issue expenses	(374)	-	-	(374)
As at 30 June 2018	181,365	(34,912)	2,271	148,724
As at 1 January 2017	133,252	(66,279)	3,097	70,070
Profit for the period	-	35,214	-	35,214
Other comprehensive income				
Currency translation differences arising from translation into the presentation currency	-	-	(2,370)	(2,370)
Total comprehensive loss for the year	-	35,214	(2,370)	32,844
Issue of share capital	18,747	-	-	18,747
Share issue expenses	(439)	-	-	(439)
As at 31 December 2017	151,560	(31,065)	727	121,222

1(d)(ii) Details of any changes in the company's share capital arising from rights issues, bonus shares, shares buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issues 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 of the issuers, 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

	Number of shares	Share capital S\$	Share capital RMB
<u>Issued and Paid-Up Capital</u>			
As at 31 December 2017	900,500,410	31,102,716	151,559,804
Issuance of shares	350,250,000	6,304,500	30,179,512
Share issuance expenses	-	(78,158)	(374,141)
As at 30 June 2018	1,250,750,410	37,329,058	181,365,175

There were no outstanding convertibles or treasury shares as at 30 June 2018 and 30 June 2017 respectively.

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

	<u>Company</u>	
	30.06.2018	31.12.2017
Number of ordinary shares in issue	1,250,750,410	900,500,410

The Company did not hold any treasury shares as at 30 June 2018 and 31 December 2017.

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

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

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

The figures have neither been audited nor 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. The figures have neither been audited nor reviewed by the Company's auditors.

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

Save as disclosed in Paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as compared to those used in the most recently audited annual financial statements for the financial year ended 31 December 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by the accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has applied the same accounting policies and methods of computation in the preparation of financial statements for the current financial year compared with the most recently audited financial statements for the financial year ended 31 December 2017, except for the adoption of the Singapore Financial Reporting Standards (International) ("SFRS(I)") that are mandatory for financial years beginning on or after 1 January 2018. The adoption of the new SFRS(I) has no material impact to the results of the Group and of the Company for the current financial year reported on.

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

	Unaudited HY 2018	Unaudited HY 2017
For continuing and discontinued operations		
<u>Earnings per share ("EPS" or "LPS") (RMB cents)</u>		
on weighted average number of ordinary shares	0.08	1.11
on fully diluted basis	0.08	1.11
<u>Net profit attributable to shareholders (RMB'000) used to compute</u>		
basic EPS/LPS	794	7,648
diluted EPS/LPS	794	7,648
<u>Weighted average number of ordinary shares in issue used to compute</u>		
basic LPS/EPS	977,903,725	(1) 690,649,355
diluted LPS/EPS	977,903,725	(1) 690,649,355
For continuing operations		
<u>Earnings per share ("EPS" or "LPS") (RMB cents)</u>		
on weighted average number of ordinary shares	0.08	1.43
on fully diluted basis	0.08	1.43
<u>Net profit attributable to shareholders (RMB'000) used to compute</u>		
basic EPS/LPS	794	9,855
diluted EPS/LPS	794	9,855
<u>Weighted average number of ordinary shares in issue used to compute</u>		
basic LPS/EPS	977,903,725	(1) 690,649,355
diluted LPS/EPS	977,903,725	(1) 690,649,355

	Unaudited HY 2018	Unaudited HY 2017
For discontinued operations		
<u>Loss per share ("EPS" or "LPS") (RMB cents)</u>		
on weighted average number of ordinary shares	-	(0.32)
on fully diluted basis	-	(0.32)
<u>Net loss attributable to shareholders (RMB'000) used to compute</u>		
basic EPS/LPS	-	(2,207)
diluted EPS/LPS	-	(2,207)
<u>Weighted average number of ordinary shares in issue used to compute</u>		
basic LPS/EPS	977,903,725	(1) 690,649,355
diluted LPS/EPS	977,903,725	(1) 690,649,355

Note:

- (1) The Company issued and allotted 350,250,000 ordinary shares pursuant to the share rights issue on 22 May 2018. With the issue of the 350,250,000 shares, the issued and paid-up share capital of the Company was increased from 900,500,410 shares to 1,250,750,410 shares.

The basic and diluted EPS and LPS for HY2018 and HY2017 respectively were the same as there were no potentially dilutive securities in issue as at 30 June 2018 and 30 June 2017.

7. Net asset value per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of: (a) current financial period reported on; and (b) immediate preceding financial year

	<u>Group</u>		<u>Company</u>	
	Unaudited 30.06.2018	Audited 31.12.2017	Unaudited 30.06.2018	Audited 31.12.2017
Net asset value per ordinary share based on existing issued share capital as at the end of period (RMB cents)	14.49	16.47	11.89	13.46
Net asset value as at the end of the period (RMB'000)	181,279	148,354	148,724	121,222
Number of ordinary shares in issue at the end of the period	1,250,750,410	900,500,410	1,250,750,410	900,500,410

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

8(a). REVIEW OF CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Revenue

The Group's revenue from continuing operations decreased by RMB24.8 million or 10.2%, from RMB242.0 million in HY2017 to RMB217.3 million in HY2018, which was mainly contributed by the sale of thermal coal by the Company's subsidiary, Orion Energy Resources Pte Ltd ("Orion"). The decrease in sales was mainly due to decrease in sales volume from 957,000 MT in HY2017 to 743,210 MT in HY2018, due to the restrictions on coal imports implemented by China.

Gross profit and gross profit margin

The Group's gross profit from continuing operations decreased by RMB21.3 million or 64.4%, from RMB33.0 million in HY2017 to RMB11.7 million in HY2018.

The Group's overall gross profit margin from continuing operations decreased from 13.6% in HY2017 to 5.4% in HY2018, mainly attributable to increased thermal cost purchase price from suppliers. Higher profit margin achieved in HY2017 was mainly due to long term contracts signed with suppliers in early 2017 when the market price is still low, locking the purchase price for the whole year, even when the market price became volatile eventually and on an increasing trend. For HY2018, most of contracts year to date are on spot basis which is closer to market price.

Other income

The Group's other income from continuing operations in HY2018 are mainly derived from foreign exchange differences.

Other items of expenses

Administrative expenses from continuing operations increased by RMB1.0 million or 23.8%, from RMB4.2 million in HY2017 to RMB5.2 million in HY2018. This was mainly due to higher increase in professional fees incurred in relation to corporate actions and consultation.

There is not much fluctuation to the finance cost incurred by the Group from continuing operations between HY2018 and HY2017, which are relating to finance lease interests.

Other losses from continuing operations in HY2017 was mainly derived from foreign exchange differences.

Income tax

The Group incurred income tax expenses of RMB1.5 million in HY2018 as compared to RMB5.3 million in HY2017, mainly due to lower profits from its operating subsidiary, Orion.

8(b). REVIEW OF THE STATEMENTS OF FINANCIAL POSITION

The Group recorded positive working capital of RMB233.0 million as at 30 June 2018, as compared to RMB194.8 million as at 31 December 2017.

The Group's equity increased by RMB38.4 million, from RMB208.3 million as at 31 December 2017 to RMB246.7 million as at 30 June 2018. The increase was mainly due to issuance of new shares of RMB29.8 million on 22 May 2018 pursuant to the allotment of placement shares.

Non-current assets

Non-current assets of the Group comprise of plant and equipment and goodwill. The slight decrease in non-current assets between 31 December 2017 and 30 June 2018 was due to addition of plant and equipment offset by depreciation.

Current assets

Current assets increased by RMB49.8 million from RMB216.8 million as at 31 December 2017 to RMB266.6 million as at 30 June 2018. This was mainly due to increased trade receivables by RMB211.7 million, offset by (i) utilisation of prepayment of RMB143.4 million, being advances paid to suppliers previously to secure for shipment; (ii) repayment from defaulting parties of a loan given by the Group's subsidiary in Australia – SCL Murray Pty. Ltd., amounting to RMB2.7 million; (iii) decrease in cash and cash equivalents of RMB15.8 million due to payments made for working capital purposes.

Current liabilities

Current liabilities increased by RMB11.5 million, from RMB22.0 million as at 31 December 2017 to RMB33.5 million as at 30 June 2018. The increase was mainly due to an increase of RMB13.6 million in trade and other payables which is offset by (i) decrease of RMB1.1 million in provision for tax as a result of lower income tax expenses; and (ii) decrease in accrued operating expenses of RM1.0 million.

8(c). REVIEW OF THE STATEMENT OF CASH FLOWS

In HY2018, the net cash generated from operating activities before changes in working capital was RMB6.8 million. The net working capital outflow of RMB49.3 million was mainly due to an increase of RMB61.3 million in trade and other receivables and offset by an increase of RMB12.0 million in trade and other payables. The Group paid income tax of RMB2.7 million. This resulted in net cash used in operating activities of RMB45.2 million.

In HY2018, the net cash used in investing activities amounted to RMB78K, mainly due to purchase of plant and equipment.

In HY2018, the net cash generated from financing activities amounted to RMB29.7 million, mainly due to proceeds of issuance of placement shares by the Group amounting to RMB29.8 million, offset by finance lease repayment of RMB0.1 million.

As a result of the above, cash and cash equivalents stood at RMB7.0 million as at 30 June 2018.

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

Not applicable. No forecast or a prospect statement had been previously disclosed to shareholder.

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's 51%-subsidiary, Orion, has contributed to the Group's revenue and profit after tax of RMB217.3 million and RMB5.2 million respectively in HY2018. Sales volume for HY2018 has dropped due to China has started to impose coal import restrictions on certain ports since Q2 2018.

Since then, the Group has been exploring opportunities to optimise its customer portfolio. Nevertheless, the outlook for coal trading industry remain positive for the foreseeable future, as there is still strong demand from other key Asian markets besides China, such as India and South Korea, where coal consumption has held up despite national programme to boost the use of gas and renewable energy. Currently, the Company is also looking into obtaining more financial support through bank facilities to increase the number of shipments.

Following the shareholders' approval in the last Extraordinary General Meeting, the Group is also evaluating opportunities in venturing into technology related business in the People's Republic of China. The Group believes that the Company will be in a stronger position and this will provide shareholders with diversified returns and longer-term growth.

11. Dividend

(a) Current financial period reported on any dividend declared for the current financial period reported on?

Nil

(b) Corresponding period of the immediately preceding financial year any dividend declared for the corresponding period of the immediately preceding financial year?

Nil

(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 interim dividend has been declared or recommended for HY2018.

13. Aggregate value of all Interested Person Transactions conducted under a shareholders' mandate pursuant to Rule 920 of the SGX Listing Manual Section B: Rules of Catalyst

Particulars of interested person transactions ("IPTs") for the period 27 April 2018 to 30 June 2018

	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) RMB'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) RMB'000
Sales:		
Artwell Minerals Resources Company Limited	Nil	48,860

14. Use of proceeds from the Placement Issue

The net proceeds arising from the allotment and issuance of the Placement Shares on 22 May 2018 was approximately S\$6.226 million, which has been fully utilised as follows:

Use of proceeds	Allocated (S\$'000)	Utilised (S\$'000)	Balance (S\$'000)
(i) To support current businesses as carried out by the Company's subsidiaries (Orion Energy Resources Pte. Ltd. And Sincap Properties Pte. Ltd.), and	5,604	(5,604)	-
(ii) For business development and to provide liquidity for business expansion through acquisitions, joint ventures and collaborations			
General working capital purposes	622	(622)	-
Total	6,226	(6,226)	-

15. Confirmation of Undertakings from Directors and Executive Officers under Rule 720(1) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("Listing Manual")

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Listing Manual.

16. Confirmation of the Board

We, Chu Ming Kin and Lim Jin Wei, being 2 directors of the Company, do hereby confirm on behalf of the board of directors ("**Board**") of the Company that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial results for the six months ended 30 June 2018 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Chu Ming Kin
*Executive Chairman and
Chief Executive Officer*

14 August 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement*

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