



**UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2016**

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

**1a An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

<u>Group</u>	<b>Three Months ended 30 June 2016</b> US\$'000	<b>Three Months ended 30 June 2015</b> US\$'000	<b>Increase / (Decrease)</b> %	<b>Six Months ended 30 June 2016</b> US\$'000	<b>Six Months ended 30 June 2015</b> US\$'000	<b>Increase / (Decrease)</b> %
Revenue	292,311	26,179	1,017%	519,365	26,179	1,884%
Cost of Sales	(290,297)	(25,569)	1,035%	(516,199)	(25,569)	1,919%
<b>Gross Profit</b>	2,014	610	230%	3,166	610	419%
Other Operating Income	4	-	N.M	14	47	(70%)
Administrative Expenses	(1,938)	(1,013)	91%	(3,779)	(2,281)	66%
Other Operating Expenses	(171)	(38)	350%	(179)	(24)	646%
Finance Expenses	(195)	(16)	1,119%	(308)	(16)	1,825%
Share of Results of Joint Venture	(42)	-	N.M	-	-	-
<b>Loss Before Income Tax</b>	(328)	(457)	(28%)	(1,086)	(1,664)	(35%)
Income Tax Expense	-	-	-	-	-	-
<b>Loss for the Period Representing Total Comprehensive Loss for the Period</b>	(328)	(457)	(28%)	(1,086)	(1,664)	(35%)

The Group's loss before income tax is arrived at after charging / (crediting):

<u>Group</u>	<b>Three Months ended 30 June 2016 US\$'000</b>	<b>Three Months ended 30 June 2015 US\$'000</b>	<b>Increase /(Decrease) %</b>	<b>Six Months ended 30 June 2016 US\$'000</b>	<b>Six Months ended 30 June 2015 US\$'000</b>	<b>Increase /(Decrease) %</b>
<b>Other Operating Income</b>						
Government Credit	(2)	-	N.M	(11)	(6)	83%
Interest Income	(2)	-	N.M	(3)	-	N.M
Foreign Currency Exchange Gain	-	-	-	-	(40)	(100%)
<b>Other Operating Expenses</b>						
Write Off of Plant and Equipment	-	24	(100%)	-	24	(100%)
Foreign Currency Exchange Loss	160	14	1,043%	154	-	N.M
<b>Administrative Expenses</b>						
Depreciation and Amortisation	41	24	71%	80	44	82%
Key Management Personnel Compensation	374	210	78%	758	500	52%
Directors' Fees	55	56	(2%)	108	111	(3%)
Professional Fees	134	28	379%	232	69	236%
Rental Expenses	283	148	91%	556	304	83%
Staff Costs (excluding Key Management Personnel Compensation)	694	343	102%	1,300	496	162%
Compensation cost	-	-	-	-	418	(100%)
<b>Finance Expenses</b>	<b>195</b>	<b>16</b>	<b>1,119%</b>	<b>308</b>	<b>16</b>	<b>1,825%</b>

N.M : Not Meaningful

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

	<u>Group</u>		<u>Company</u>	
	30 Jun 2016 US\$'000	31 Dec 2015 US\$'000	30 Jun 2016 US\$'000	31 Dec 2015 US\$'000
<b><u>ASSETS</u></b>				
<b>Non-current Assets:</b>				
Property and Equipment	340	351	-	-
Intangible Assets	448	1	1	1
Investments in Subsidiaries	-	-	28,160	28,160
Investments in Joint Venture	26,510	26,575	-	-
<b>Total Non-current Assets</b>	<b>27,298</b>	<b>26,927</b>	<b>28,161</b>	<b>28,161</b>
<b>Current Assets:</b>				
Trade Receivables	188,850	197,692	-	-
Derivatives Financial Assets	86	-	-	-
Other Assets	2,612	3,060	7	23
Amount due from Subsidiaries	-	-	144,649	124,220
Cash and Cash Equivalents	33,214	43,606	1,502	22,411
<b>Total Current Assets</b>	<b>224,762</b>	<b>244,358</b>	<b>146,158</b>	<b>146,654</b>
<b>Total Assets</b>	<b>252,060</b>	<b>271,285</b>	<b>174,319</b>	<b>174,815</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Equity</b>				
Share Capital	545	545	545	545
Share Premium	196,308	196,308	196,308	196,308
(Accumulated Losses)/Retained Earnings	(387)	699	(22,630)	(22,129)
<b>Total Equity</b>	<b>196,466</b>	<b>197,552</b>	<b>174,223</b>	<b>174,724</b>
<b>Non-current Liabilities</b>				
Provision	145	141	-	-
<b>Total Non-current Liabilities</b>	<b>145</b>	<b>141</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>				
Trade Payables	33,293	62,369	-	-
Other Payables	1,027	1,491	96	91
Short Term Loan	13,485	-	-	-
Amount due to Holding Company	5,685	5,685	-	-
Income Tax Payable	1,959	4,047	-	-
<b>Total Current Liabilities</b>	<b>55,449</b>	<b>73,592</b>	<b>96</b>	<b>91</b>
<b>Total Liabilities</b>	<b>55,594</b>	<b>73,733</b>	<b>96</b>	<b>91</b>
<b>Total Liabilities and Equity</b>	<b>252,060</b>	<b>271,285</b>	<b>174,319</b>	<b>174,815</b>

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

	<u>Unsecured</u>		<u>Secured</u>	
	<b>30 Jun 2016 US\$'000</b>	<b>31 Dec 2015 US\$'000</b>	<b>30 Jun 2016 US\$'000</b>	<b>31 Dec 2015 US\$'000</b>
Amount payable in one year or less or on demand	19,170	5,685	-	-
Amount payable after one year	-	-	-	-

The Company's controlling shareholder, Singapore Petrochemical & Energy Development Pte. Ltd., continues to extend financial support by providing interest-free loans. As at the end of the second quarter of FY2016 ("2Q2016") the aggregate loan balance was approximately US\$5.69 million. The financial support was meant to assist the Group in the expansion of its oil and petrochemical trading businesses and to meet its liabilities as and when they fall due.

As announced on 8 May 2016, ING Bank N.V., Singapore branch has agreed to make available uncommitted trade facilities of up to US\$150 million in aggregate to the Group. The current aggregate banking facilities granted by the banks are approximately US\$511 million as at end of 2Q2016.

The short term loan of US\$13.485 million resulted from short term financing granted by a bank for the Group's trading business.

Details of any collateral

Nil.

Contingent liabilities

As at 30 June 2016, the Group has no contingent liabilities.

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

<u>Group</u>	Three Months ended 30 June 2016 US\$'000	Three Months ended 30 June 2015 US\$'000	Six Months ended 30 June 2016 US\$'000	Six Months ended 30 June 2015 US\$'000
<b>Operating Activities</b>				
Loss Before Income Tax	(328)	(457)	(1,086)	(1,664)
<b>Adjustment for:</b>				
Depreciation and Amortisation	41	24	80	44
Loss on Disposal of Property and Equipment	-	24	-	24
Fair Value Measurement on Derivative Instrument	(118)	-	(86)	-
Interest Expenses	91	-	134	-
Interest Income	(2)	-	(3)	-
Share of Results of Joint Venture	42	-	-	-
Unrealised Exchange Differences	101	(135)	114	(27)
Operating Cash Flows Before Movements in Working Capital	(173)	(544)	(847)	(1,623)
<b>Movements in Working Capital:</b>				
Trade Receivables	(38,761)	(599)	8,842	17,879
Trade Payables	31,459	-	(29,076)	(16,864)
Other Assets	690	(23)	464	(446)
Other Payables	839	100	(477)	76
<b>Cash Used in Operations</b>	(5,946)	(1,066)	(21,094)	(978)
Income Taxes Paid	(1,926)	(118)	(2,288)	(118)
Interest Paid	(91)	-	(134)	-
Interest Received	2	-	3	-
<b>Net Cash Used in Operating Activities</b>	(7,961)	(1,184)	(23,513)	(1,096)
<b>Investing Activities</b>				
Refund of Excess Capital Injection in Joint Venture	-	-	66	-
Acquisition of Intangible Assets, Property and Equipment	(488)	(73)	(516)	(81)
<b>Net Cash Used in Investing Activities</b>	(488)	(73)	(450)	(81)
<b>Financing Activities</b>				
Proceeds from Short Term Loan	3,216	-	13,485	-
Advance to/(from) Holding Company	-	162	-	(668)
Fixed Deposit (pledged with)/released from Financial Institutions	(1,430)	-	(2,930)	1,001
<b>Net Cash Generated from Financing Activities</b>	1,786	162	10,555	333
<b>Net Decrease in Cash and Cash Equivalents</b>	(6,663)	(1,095)	(13,408)	(844)
Cash and Cash Equivalents at the Beginning of the Period	36,870	1,810	43,606	1,593
Effect of Exchange Rates Changes on Cash and Cash Equivalents	77	16	86	(18)
<b>Cash and Cash Equivalents at the End of the Period</b>	30,284	731	30,284	731

<u>Group</u>	Three Months ended 30 June 2016 US\$'000	Three Months ended 30 June 2015 US\$'000	Six Months ended 30 June 2016 US\$'000	Six Months ended 30 June 2015 US\$'000
Cash and Bank Balance	33,214	731	33,214	731
Fixed Deposit Pledged	(2,930)	-	(2,930)	-
Cash and Cash Equivalents per Consolidated Statement of Cash Flows	30,284	731	30,284	731

- 1d(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.

<u>Group</u>	Attributable to the Owners of the Company			
	<u>Share Capital</u> US\$'000	<u>Share Premium</u> US\$'000	<u>Retained Earnings / (Accumulated Losses)</u> US\$'000	<u>Total Equity / (Capital Deficiency)</u> US\$'000
Balance at 1 January 2016	545	196,308	699	197,552
<b>Loss for the Period, Representing Total Comprehensive Loss for the Financial Period</b>	-	-	(1,086)	(1,086)
Balance at 30 June 2016	545	196,308	(387)	196,466
Balance at 1 January 2015	454	18,116	(17,246)	1,324
<b>Loss for the Period, Representing Total Comprehensive Loss for the Financial Period</b>	-	-	(1,664)	(1,664)
Balance at 30 June 2015	454	18,116	(18,910)	(340)

**Attributable to the Owners of the Company**

<u>Company</u>	<u>Share Capital</u> US\$'000	<u>Share Premium</u> US\$'000	<u>Accumulated Losses</u> US\$'000	<u>Total Equity / (Capital Deficiency)</u> US\$'000
Balance at 1 January 2016	545	196,308	(22,129)	174,724
<b>Loss for the Period, Representing Total Comprehensive Loss for the Period</b>	-	-	(501)	(501)
Balance at 30 June 2016	545	196,308	(22,630)	174,223
Balance at 1 January 2015	454	18,116	(21,248)	(2,678)
<b>Loss for the Period, Representing Total Comprehensive Loss for the Period</b>	-	-	(373)	(373)
Balance at 30 June 2015	454	18,116	(21,621)	(3,051)

**1d(ii) Details of any changes in the Company's share capital arising from right 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.**

There have been no changes in the Company's share capital since the end of the previous period reported.

**1d(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.**

The total number of issued shares as at end of 30 June 2016 and 31 December 2015 was 4,233,185,850 shares. There were no shares held as treasury shares and the Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 30 June 2016 and 31 December 2015.

**1d(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 as the Company does not have any treasury shares.

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

These figures have neither been reviewed nor audited 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 accounting policies and methods of computation applied by the Group are consistent with those used in its most recent audited financial statements as well as all the applicable new/revised International Financial Reporting Standards (IFRS) and IFRS interpretations (INT IFRS) which came into effect for the financial years beginning on or after 1 January 2016.

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.**

In the current financial year, the Group has adopted the new and revised IFRS, and INT IFRS that are relevant to its operations and effective for the current financial year. The adoption of these new or revised IFRS or INT IFRS 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 financial years.

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>Group</u>			
	Three Months Ended		Six Months Ended	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
	US\$	US\$	US\$	US\$
<b>Net Loss Attributable to Shareholders</b>	(328,422)	(456,829)	(1,086,142)	(1,663,778)
<b>Earnings per ordinary share</b>	US Cents	US Cents	US Cents	US Cents
(a) Based on the weighted average number of ordinary shares in issue; and	(0.0078)	(0.0129)	(0.0257)	(0.0472)
Weighted average number of ordinary shares in issue	4,233,185,850	3,527,654,875	4,233,185,850	3,527,654,875
(b) On a fully diluted basis	(0.0078)	(0.0129)	(0.0257)	(0.0472)
Weighted average number of ordinary shares in issue	4,233,185,850	3,527,654,875	4,233,185,850	3,527,654,875



7. Net assets 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>Group</u>		<u>Company</u>	
	30 June 2016 US cents	31 Dec 2015 US cents	30 June 2016 US cents	31 Dec 2015 US cents
<b>Net Assets value per ordinary share</b>	4.641	4.667	4.116	4.127

The calculation of net asset value per ordinary share is based on the Group’s net assets of approximately US\$196,465,472 as at 30 June 2016 (31 December 2015: US\$197,551,614) and the Company’s net assets of approximately US\$174,223,186 as at 30 June 2016 (31 December 2015: US\$174,724,033) and share capital of 4,233,185,850 shares (31 December 2015: 4,233,185,850 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.

**Revenue**

The Group’s revenue increased by 1,884% from US\$26 million for the six months ended 30 June 2015 (“**6M2015**”) to US\$519 million for the six months ended 30 June 2016 (“**6M2016**”). In 2Q2016, the Group’s revenue grew 1,017% to US\$292 million from US\$26 million in 2Q2015. The increase was primarily contributed by transactions with CEFC Shanghai International Group Limited (“**CEFC Shanghai**”) and Dyneff SAS (“**Dyneff**”). The long term agreements entered into by the Group with the above two counterparties provide stable trade volume.

As at 30 June 2016, the breakdown of revenue generated from physical and derivatives trading was as follows: -

<u>Revenue</u>	<b>Six Months Ended 30 June 2016 US\$’000</b>	<b>Six Months Ended 30 June 2015 US\$’000</b>
Physical trading	523,265	26,179
- Related Parties	518,914	-
- Non Related Parties	4,351	26,179
Derivatives trading-net	(3,900)	-
	<b>519,365</b>	<b>26,179</b>

As previously announced on 3 August 2016, the Company has entered into a non-binding term sheet with CEFC Shanghai Group Assets Management Co., Ltd for the Company to acquire 100% of the shares in the share capital of CEFC Assets Management & Equity Investment (Hong Kong) Co., Limited which owns 51% interest in Rompetrol France SAS, the holding company of Dyneff. The Company and Dyneff have mutually agreed to an early termination of the diesel supply arrangement with effect from 22 July 2016. The Company is of the view that Dyneff is capable of handling its own sourcing for business efficiency reasons with its extensive industry experience and established track record. This is also in line with the Company's strategy to shift its trading focus onto the platform in Europe in the future.

### **Gross Profit**

The Group reported a gross profit of US\$3.17 million in 6M2016, an increase of 419% as compared to US\$0.61 million in 6M2015. The Group's gross profit in 2Q2016 grew by US\$1.40 million from US\$0.61 million in 2Q2015. This was driven by higher trading volume with CEFC Shanghai.

The gross margin decreased from 2.3% in 6M2015 to 0.6% in 6M2016. Gross margin in 2Q2016 decreased from 2.3% in 2Q2015 to 0.7% in 2Q2016. This was primarily due to losses contributed by derivative trades as well as trading business with Dyneff.

### **Other Operating Income**

Other operating income derived in 6M2016 mainly comprised wage credit scheme payment and bank interest income.

### **Expenses**

Administrative expenses in 6M2016 and 2Q2016 increased by 66% and 91% to US\$3.78 million and US\$1.94 million (6M2015: US\$2.28 million and 2Q2015: US\$1.01 million) respectively. The increase was mainly due to higher staff related expenses and rental of office premises.

Other operating expenses in 6M2016 and 2Q2016 increased significantly by 646% and 350% to US\$0.18 million and US\$0.17 million (6M2015: US\$0.02 million and 2Q2015: US\$0.04 million) respectively. Other operating expenses mainly comprised foreign currency exchange losses.

Finance costs in 6M2016 and 2Q2016 also increased significantly by 1,825% and 1,119% to US\$0.31 million and US\$0.20 million (6M2015: US\$0.02 million and 2Q2015: US\$0.02 million) respectively, mainly due to bank charges relating to letters of credit and interest expenses incurred in short-term loan financing for trading business.

### **Profit/Loss**

The Group reported a net loss of US\$1.09 million in 6M2016 and a net loss of US\$0.33 million in 2Q2016 (6M2015: US\$1.66 million and 2Q2015: US\$0.46 million) due to higher expenses which were not covered by profit generated from trading businesses.

### **Review of the Group's Financial Position as at 30 June 2016**

The Group's non-current assets increased marginally from US\$26.93 million as at 31 December 2015 to US\$27.3 million as at 30 June 2016. The non-current assets mainly comprised the capital injection of US\$26.6 million for the joint venture in Rizhao and the acquisition of a Commodity Trading and Risk Management ("CTRM") system worth US\$0.45 million.

The current assets stood at US\$224.76 million as at 30 June 2016. It mainly consists of trade receivables and cash and cash equivalent. The amount of trade receivables was US\$188.85 million as at 30 June 2016, of which US\$156.27 million resulted from the open credit granted to CEFC Shanghai.

The Group's total equity decreased from US\$197.55 million as at 31 December 2015 to US\$196.47 million as at 30 June 2016. The decrease was mainly attributable to losses made during the period.

The Group's total liabilities decreased from US\$73.73 million as at 31 December 2015 to US\$55.59 million as at 30 June 2016. The decrease was mainly attributable to (i) a decrease in trade payables of US\$29.08 million from US\$62.37 million as at 31 December 2015 to US\$33.29 million as at 30 June 2016, and (ii) a decrease in income tax payable of US\$2.09 million due to payment of the previous year's income tax. The decrease in total liabilities was partially offset by an increase of US\$13.49 million as a result of short term bridge financing granted by a bank.

### **Review of the Group's Cash Flows of 30 June 2016**

The Group recorded a net cash outflow of US\$23.51 million from operating activities for 6M2016. This was mainly due to (i) loss of US\$1.09 million, and (ii) decrease of US\$8.8 million in trade receivables and decrease of US\$29.08 million in trade payables.

The net cash used in investing activities for 6M2016 was US\$0.45 million, mainly due to the acquisition of the CTRM system.

The net cash generated from financing activities was US\$10.56 million for 6M2016 which was derived from proceeds from short term loan of US\$13.49 million, and partly offset by the fixed deposit of US\$2.93 million pledged with the banks.

As a result of the above, the Group's cash and cash equivalents stood at US\$30.28 million as at 30 June 2016.

**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 statement has been previously disclosed to shareholders.

**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.**

Wrapping up the first half of the year, the Group continues to execute its strategies and has made some progress as highlighted below.

1. The Group remains upbeat on its collaboration with CEFC Shanghai. The Group becomes the exclusive overseas procurement and sales platform for CEFC Shanghai for crude oil, refined petroleum products and other petrochemical products since the signing of the framework cooperation agreement last September.
2. The Group continues its globalization business expansion, with a strategic focus on quality mid-to downstream energy assets in Europe and neighbouring regions. On the investment front, the Group disclosed in the announcement dated 3 August 2016 that it has entered into a non-binding term sheet with CEFC Shanghai Group Assets Management Co., Ltd to acquire 100% of the shares in the share capital of CEFC Assets Management & Equity Investment (Hong Kong) Co., Limited which owns 51% interest in Rompetrol France SAS, the holding company of Dyneff. Dyneff currently owns certain oil and gas distribution network, logistics and storage facilities in Europe. Having an established footprint in the downstream oil & gas sector in Europe, Dyneff will be able to assist the Group's expansion strategy in Europe and help facilitate the shift of the Group's related trading activities focus into Europe. On the same note, the Group has also streamlined its trading team in Singapore to align with this shift of trading platform.
3. The Group also disclosed in the announcements dated 7 July 2015 and 18 August 2015 that it was in discussions to acquire equity interests in two companies, one of which owns floating storage facilities and the other is involved in the construction of certain port facilities and cargo transportation in China. The

Group wishes to update that the port facilities project is still in the midst of due diligence while the floating storage project is still at the stage of negotiating key commercial terms.

4. On the financing side, the Group is pleased that ING Bank N.V. Singapore Branch has recently in May 2016, agreed to make available an uncommitted credit facility of up to US\$150 million. In addition to previous trade facilities made available by other banks, the aggregate amount of trade facilities now stands at US\$511 million.

Notwithstanding the business strategies and plans mapped out above, the Group's performance is dependent upon the global markets, which could be affected by changes in macroeconomic factors such as interest rate hikes, US dollar movements, fluctuation in oil prices, slowing economic growth in China as well as supply side economics linked to geopolitical situations and economic events. The recent Brexit event may add more uncertainty to the global markets in the short to mid-term. The Group will continue to closely monitor any possible impact on its operations and investments.

While maintaining a conservative stance in the short term, the Group believes the successful implementation of the above mentioned strategies should translate into growth drivers in the long term.

## **11. Dividend**

### **(a) Current Financial Period Reported On**

None.

### **Corresponding Period of the Immediately Preceding Financial Year**

None.

### **Date payable**

Not applicable.

### **(d) Books closure date**

Not applicable.

## **12. If no dividend has been declared or recommended, a statement to that effect.**

No dividend has been declared or recommended.

**13. If the Group has obtained a general mandate from the Shareholder for IPTs, the aggregate value of such transactions as required under Rule 902 (1)(a) (ii). If no IPT mandate has been obtained, please make a statement to that effect**

On 4 September 2015, the Company allotted and issued 705,530,975 new ordinary shares to Subscribers at the issue price of S\$0.35 per share representing gross proceeds of approximately S\$247 million, which was/will be utilised for expansion of trading business (including commodity and derivative trading), repayment of shareholder loan, general working capital of the Group and general corporate activities, including but not limited to potential acquisitions and joint ventures. By 30 June 2016, the utilisation of proceeds are as follows: -

Utilisation of Proceeds	US\$'000
<u>Description</u>	
Expansion of trading business (including commodity and derivative trading)	128,708
Repayment of shareholder loan	9,100
General working capital of the Group <sup>(1)</sup>	9,950
General corporate activities, including but not limited to potential acquisitions and joint ventures	28,000
Total	<u>175,758</u>

**Note:**

(1) General working capital of the Group comprises entirely administrative expenses.

There were no interested person transactions carried out in 2Q2016 except for the interest-free advances made by Singapore Petrochemical & Energy Development Pte. Ltd. to the Group.

The Company does not have a general mandate from shareholders for interested person transactions.

**14. 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.**

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, there is no person occupying a managerial position in the Group or Company or any of its principal subsidiaries who is a relative of the director or chief executive officer or substantial shareholder.

**15. 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**

**Zang Jian Jun**  
**Executive Chairman**  
**Date: 8 August 2016**

## **CONFIRMATION BY THE BOARD**

We, Zang Jian Jun and Lu Da Chuan, being two directors of CEFC International Limited (“**the Company**”), do hereby confirm on behalf of the directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the financial period ended 30 June 2016 to be false or misleading in any material aspect.

On behalf of the board of directors

**Zang Jian Jun**  
**Executive Chairman**

**Lu Da Chuan**  
**Executive Director**