



**UNAUDITED FINANCIAL STATEMENTS FOR THE FULL YEAR ENDED 31 DECEMBER 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 31 Dec 2016</b> US\$'000	<b>Three Months Ended 31 Dec 2015</b> US\$'000	<b>Increase / (Decrease)</b> %	<b>Twelve Months Ended 31 Dec 2016</b> US\$'000	<b>Twelve Months Ended 31 Dec 2015</b> US\$'000	<b>Increase / (Decrease)</b> %
Revenue	198,294	285,996	(31%)	999,465	474,471	111%
Cost of Sales	(194,432)	(274,332)	(29%)	(987,288)	(447,036)	121%
<b>Gross Profit</b>	3,862	11,664	(67%)	12,177	27,435	(56%)
Other Operating Income	4	2	100%	21	104	(80%)
Administrative Expenses	(2,183)	(2,260)	(3%)	(8,494)	(5,576)	52%
Other Operating Expenses	(14)	(13)	8%	(114)	(45)	153%
Finance Expenses	-	(6)	(100%)	(349)	(81)	331%
Share of Results of Joint Venture	69	(45)	253%	42	(45)	193%
<b>Profit Before Income Tax</b>	1,738	9,342	(81%)	3,283	21,792	(85%)
Income Tax Expense	(142)	(1,707)	(92%)	(560)	(3,847)	(85%)
<b>Profit for the Period/Year Representing Total Comprehensive Income for the Period/Year</b>	1,596	7,635	(79%)	2,723	17,945	(85%)

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

<b>Group</b>	<b>Three Months Ended 31 Dec 2016</b>	<b>Three Months Ended 31 Dec 2015</b>	<b>Increase / (Decrease) %</b>	<b>Twelve Months Ended 31 Dec 2016</b>	<b>Twelve Months Ended 31 Dec 2015</b>	<b>Increase / (Decrease) %</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
<b>Other Operating Income</b>						
Government Credit	(4)	-	N.M	(15)	-	N.M
Interest Income	-	(2)	(100%)	(6)	(3)	100%
<b>Other Operating Expenses</b>						
Disposal/Write off of Property and Equipment	-	-	-	32	24	33%
<b>Administrative Expenses</b>						
Depreciation and Amortisation	70	37	89%	219	116	89%
Key Management Personnel Compensation	350	771	(55%)	1,423	1,618	(12%)
Directors' Fees	55	53	4%	218	218	-
Professional Fees	721	205	252%	1,635	322	408%
Rental Expenses	271	241	12%	1,107	721	54%
Staff Costs (excluding Key Management Personnel Compensation)	568	505	12%	2,601	1,230	111%
Compensation cost	-	-	-	-	418	(100%)
<b>Finance Expenses</b>	-	6	(100%)	349	81	331%

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>	
	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000
<b>ASSETS</b>				
<b>Non-current Assets:</b>				
Property, Plant and Equipment	37,602	351	-	-
Intangible Assets	8,522	1	1	1
Investments in Subsidiaries	-	-	48,660	28,160
Investment in Associates	9,137	-	-	-
Investments in Joint Ventures	38,298	26,575	-	-
Available-for-Sale Financial Asset	4	-	-	-
Other Receivables	284	-	-	-
<b>Total Non-current Assets</b>	<u>93,847</u>	<u>26,927</u>	<u>48,661</u>	<u>28,161</u>
<b>Current Assets:</b>				
Inventories	41,694	-	-	-
Trade and Other Receivables	292,778	200,752	52	23
Derivatives Financial Assets	461	-	-	-
Amount due from Subsidiaries	-	-	144,137	124,220
Amount due from Related Companies	4,604	-	-	-
Tax Recoverable	1,712	-	-	-
Cash and Cash Equivalents	36,446	43,606	490	22,411
<b>Total Current Assets</b>	<u>377,695</u>	<u>244,358</u>	<u>144,679</u>	<u>146,654</u>
<b>Total Assets</b>	<u>471,542</u>	<u>271,285</u>	<u>193,340</u>	<u>174,815</u>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Trade and Other Payables	151,992	63,860	353	91
Derivative Financial Liabilities	1,389	-	-	-
Loans and Borrowings	36,455	-	-	-
Amount due to Holding Company	4,185	5,685	-	-
Amount due to Related Companies	30,827	-	20,500	-
Income Tax Payable	685	4,047	-	-
<b>Total Current Liabilities</b>	<u>225,533</u>	<u>73,592</u>	<u>20,853</u>	<u>91</u>
<b>Non-current Liabilities</b>				
Provisions	9,428	141	-	-
Deferred Tax Liabilities	8,860	-	-	-
Loans and Borrowings	10,293	-	-	-
Other Payables	842	-	-	-
<b>Total Non-current Liabilities</b>	<u>29,423</u>	<u>141</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities</b>	<u>254,956</u>	<u>73,733</u>	<u>20,853</u>	<u>91</u>

	<u>Group</u>		<u>Company</u>	
	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000
<b>Equity</b>				
Share Capital	545	545	545	545
Share Premium	196,308	196,308	196,308	196,308
Retained Earnings/ (Accumulated Losses)	3,422	699	(24,366)	(22,129)
	200,275	197,552	172,487	174,724
<b>Non-controlling Interests</b>	16,311	-	-	-
<b>Total Equity</b>	216,586	197,552	172,487	174,724
<b>Total Liabilities and Equity</b>	471,542	271,285	193,340	174,815

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

	<u>Unsecured</u>		<u>Secured</u>	
	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000	31 Dec 2016 US\$'000	31 Dec 2015 US\$'000
Amount payable in one year or less or on demand	49,757	5,685	21,710	-
Amount payable after one year	10,293	-	-	-

The Company's controlling shareholder, Singapore Petrochemical & Energy Development Pte. Ltd., continues to extend financial support by providing interest-free loans. As at 31 December 2016, the aggregate loan balance was approximately US\$4.19 million.

Details of any collateral

The secured borrowings pertained to secured bank loans of US\$21.71 million which are secured with trade receivables of the subsidiaries.

Contingent liabilities

As at 31 December 2016, the Group has given guarantees amounting to US\$511 million to certain banks in respect of banking facilities granted to a subsidiary.

As at 31 December 2016, the Group has also given guarantees of Euro9.69 million in favour of certain counterparts for a subsidiary.

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 31 Dec 2016 US\$'000	Three Months Ended 31 Dec 2015 US\$'000	Twelve Months Ended 31 Dec 2016 US\$'000	Twelve Months Ended 31 Dec 2015 US\$'000
<b>Operating Activities</b>				
Profit Before Income Tax	1,738	9,342	3,283	21,792
<b>Adjustment for:</b>				
Depreciation and Amortisation	70	37	219	116
Loss on Disposal of Property, Plant and Equipment	-	-	32	24
Fair Value Measurement on Derivative Instrument	441	13,174	(461)	-
Interest Expenses	-	6	167	81
Interest Income	-	(2)	(6)	(3)
Share of Results of Joint Venture	(69)	45	(42)	45
Unrealised Exchange Differences	(105)	-	(19)	(81)
Operating Cash Flows Before Movements in Working Capital	2,075	22,602	3,173	21,974
<b>Movements in Working Capital:</b>				
Trade and Other Receivables	16,874	(13,292)	48,728	(169,173)
Trade and Other Payables	2,617	1,684	(58,612)	46,927
<b>Cash Used in Operations</b>	21,566	10,994	(6,711)	(100,272)
Income Taxes Refund/(Paid)	173	-	(3,887)	(149)
Interest Paid	-	(6)	(167)	(81)
Interest Received	-	2	6	3
<b>Net Cash Generated from / (Used in) Operating Activities</b>	21,739	10,990	(10,759)	(100,499)
<b>Investing Activities</b>				
Acquisition of a subsidiary	(7,240)	-	(7,240)	-
(Investment in)/Refund of Excess Capital Injection in Joint Venture	-	(26,620)	66	(26,620)
Acquisition of Intangible Assets, Property, Plant and Equipment	-	(43)	(516)	(345)
<b>Net Cash Used in Investing Activities</b>	(7,240)	(26,663)	(7,690)	(26,965)
<b>Financing Activities</b>				
Repayment to Holding Company	(1,100)	(8,166)	(1,500)	(9,746)
Issuance of Subscription Shares	-	-	-	178,283
Fixed Deposit (Pledged with)/Released from Financial Institutions	-	-	(609)	1,001
<b>Net Cash (Used in) / Generated from Financing Activities</b>	(1,100)	(8,166)	(2,109)	169,538
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	13,399	(23,839)	(20,558)	42,074
Cash and Cash Equivalents at the Beginning of the Period/Year	9,715	67,453	43,606	1,593
Effect of Exchange Rates Changes on Cash and Cash Equivalents	(82)	(8)	(16)	(61)
<b>Cash and Cash Equivalents at the End of the Period/Year</b>	23,032	43,606	23,032	43,606

<u>Group</u>	<b>Twelve Months Ended 31 Dec 2016 US\$'000</b>	<b>Twelve Months Ended 31 Dec 2015 US\$'000</b>
Cash and Bank Balance	36,446	43,606
Fixed Deposit Pledged	(609)	-
Bank Overdrafts	(12,805)	-
Cash and Cash Equivalents per Consolidated Statement of Cash Flows	23,032	43,606

**Effects of the acquisition of a subsidiary on cash flows:**

Total purchase consideration	<b>US\$'000</b> 20,500
Less: Cash consideration payable in year 2017	(20,500)
Less: Cash and cash equivalents acquired	(5,565)
Add: Bank overdraft	12,805
Net cash outflow on acquisition	7,240

- 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>	<u>Attributable to the Owners of the Company</u>					
	<u>Share Capital</u> US\$'000	<u>Share Premium</u> US\$'000	<u>Retained Earnings / (Accumulated Losses)</u> US\$'000	<u>Equity Attributable to Owners of the Company</u> US\$'000	<u>Non- controlling Interests</u> US\$'000	<u>Total Equity</u> US\$'000
Balance at 1 January 2016	545	196,308	699	197,552	-	197,552
<b>Profit for the Year, Representing Total Comprehensive Income for the Financial Year</b>	-	-	2,723	2,723	-	2,723
Acquisition of Subsidiary	-	-	-	-	16,311	16,311
Balance at 31 December 2016	545	196,308	3,422	200,275	16,311	216,586

Attributable to the Owners of the Company

<u>Group</u>	<u>Share Capital</u> US\$'000	<u>Share Premium</u> US\$'000	<u>Retained Earnings / (Accumulated Losses)</u> US\$'000	<u>Equity Attributable to Owners of the Company</u> US\$'000	<u>Non- controlling Interests</u> US\$'000	<u>Total Equity</u> US\$'000
Balance at 1 January 2015	454	18,116	(17,246)	1,324	-	1,324
<b>Issuance of Subscription Shares</b>	91	178,192	-	178,283	-	178,283
<b>Profit for the Year, Representing Total Comprehensive Income for the Financial Year</b>	-	-	17,945	17,945	-	17,945
Balance at 31 December 2015	545	196,308	699	197,552	-	197,552

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 Year, Representing Total Comprehensive Income for the Financial Year</b>	-	-	(2,237)	(2,237)
Balance at 31 December 2016	545	196,308	(24,366)	172,487
Balance at 1 January 2015	454	18,116	(21,248)	(2,678)
<b>Issuance of Subscription Shares</b>	91	178,192	-	178,283
<b>Loss for the Year, Representing Total Comprehensive Income for the Financial Year</b>	-	-	(881)	(881)
Balance at 31 December 2015	545	196,308	(22,129)	174,724

**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 31 December 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 31 December 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		Twelve Months Ended	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
	US\$	US\$	US\$	US\$
<b>Net Profit Attributable to Shareholders</b>	1,596,628	7,634,304	2,723,291	17,944,691
<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	0.038	0.180	0.064	0.478
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850	4,233,185,850	3,757,677,302
(b) On a fully diluted basis	0.038	0.180	0.064	0.478
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850	4,233,185,850	3,757,677,302

Earnings per ordinary share for 3 months and 12 months ended 31 December 2015 has been computed based on the share capital as at 31 December 2015 after adjustment for 705,530,975 shares issued pursuant to the share placement exercise in September 2015, giving rise to the weighted average number of shares of 4,233,185,850 and 3,757,677,302 respectively.

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>	
	31 Dec 2016 US cents	31 Dec 2015 US cents	31 Dec 2016 US cents	31 Dec 2015 US cents
<b>Net Assets value per ordinary share</b>	4.731	4.667	4.075	4.127

The calculation of net asset value per ordinary share is based on the Group's net assets of approximately US\$200,274,905 as at 31 December 2016 (31 December 2015: US\$197,551,614) and the Company's net assets of approximately US\$172,487,331 as at 31 December 2016 (31 December 2015: US\$174,724,033) and share capital of 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.**

#### **Review of the Group's Income Statement of 31 December 2016**

##### **Revenue**

The Group's revenue increased by 111% from US\$474 million for the financial year ended 31 December 2015 ("FY2015") to US\$999 million for the financial year ended 31 December 2016 ("FY2016"). The increase was primarily contributed by physical oil trading transactions with CEFC Shanghai International Group Limited ("CEFC Shanghai").

For the three months ended 31 December 2016 ("4Q2016"), the Group's revenue dropped by 31% to US\$198 million from US\$286 million for the three months ended 31 December 2015 ("4Q2015"). The decrease in revenue in 4Q2016 was mainly due to significant revenue contributions from structural derivative trades occurred in 4Q2015 which the Group ceased the derivative trades in second half year in 2016.

As at 31 December 2016, the breakdown of revenue generated from physical and derivatives trading was as follows:

<u>Revenue</u>	<b>FY2016 US\$'000</b>	<b>FY2015 US\$'000</b>
Physical trading	1,001,785	453,395
- Related Parties	956,580	269,211
- Non Related Parties	45,205	184,184
Derivatives trading-net	(2,320)	21,076
	<b>999,465</b>	<b>474,471</b>

## **Gross Profit**

The Group reported a gross profit of US\$12.18 million in FY2016, a decrease of 56% as compared to US\$27.44 million in FY2015. The Group's gross profit in 4Q2016 dropped to US\$3.86 million from US\$11.66 million in 4Q2015. The gross margin decreased from 4.08% in 4Q2015 to 1.95% in 4Q2016. The gross margin decreased from 5.78% in FY2015 to 1.22% in FY2016. This was primarily driven by losses contributed by derivative trades and trading business with Dyneff SAS ("**Dyneff**") in 2016 as compared to significant gain generated from derivative trades in 2015.

## **Other Operating Income**

Other operating income derived in 4Q2016 and FY2016 mainly comprised wage credit scheme payment and bank interest income.

## **Expenses**

Administrative expenses decreased by 3% to US\$2.18 million in 4Q2016 as compared to US\$2.26 million in 4Q2015. It increased by 52% to US\$8.49 million in FY2016 as compared to US\$5.58 million in FY2015. The increase was mainly due to increase in depreciation and amortisation, staff related expenses, rental of office premises and professional fees in relation to the acquisition projects that took place during the year.

Other operating expenses in FY2016 increased significantly by 153% to US\$0.11 million and mainly comprised of loss on disposal of property, plant and equipment and data subscription fee.

Finance expenses of US\$0.35 million in FY2016 increased by 331% from US\$0.08 million in FY2015 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's net profit declined by 85% to US\$2.72 million in FY2016, compared to US\$17.95 million in FY2015. For 4Q2016, the net profit decreased by 79% to US\$1.60 million from US\$7.64 million in 4Q2015. This was mainly due to lower profit generated from physical trades and losses incurred in derivative trades in 2016.

## **Review of the Group's Financial Position as at 31 December 2016**

As previously announced, the Group completed its acquisition of 100% equity interest in CEFC Assets Management & Equity Investment (Hong Kong) Co., Limited ("**CEFC AM**"), which holds 51% interest in Rompetrol France SAS ("**Rompetrol France**"). Rompetrol France in turn holds 100% of Dyneff, one of the leading independent fuel distributors in France with business operations in France and Spain. Accordingly, the Group's financial position as of 31 December 2016, include the assets and the liabilities of CEFC AM and its subsidiaries ("**CEFC AM Group**"). The provisional goodwill recognized was US\$7.15 million.

The Group's non-current assets increased significantly from US\$26.93 million as at 31 December 2015 to US\$93.85 million as at 31 December 2016. The increase was mainly attributable to the acquisition of CEFC AM. The non-current assets mainly comprised the property, plant and equipment of US\$37.60 million, goodwill of US\$7.15 million, other intangible assets of US\$1.37 million, investments in associates and joint ventures of US\$47.44 million and other receivables of US\$0.28 million.

The current assets stood at US\$377.70 million as at 31 December 2016 compared to US\$244.36 million as at 31 December 2015. Overall, it increased in tandem with the acquisition of CEFC AM. The increase of US\$133.34 million in current assets was mainly from (i) an increase of US\$41.69 million in inventories held for trading; (ii) an increase of US\$92.03 million in trade and other receivables to US\$292.78 million as at 31 December 2016 from US\$200.75 million as at 31 December 2015; (iii) an increase of US\$4.60 million in amount due from related companies; and (iv) a decrease of US\$7.16 million in cash and cash equivalents which was mainly attributable to the aggregate cash outflow of US\$20.56 million used in operating, investing and financing activities.

The Group's total liabilities increased largely by 246% or US\$181.22 million to US\$254.96 million as at 31 December 2016 mainly attributable to the consolidation of CEFC AM in 2016.

The increase of US\$151.94 million in current liabilities is mainly from (i) an increase in trade and other payables of US\$88.13 million from US\$63.86 million as at 31 December 2015 to US\$151.99 million as at 31 December 2016, (ii) an increase in loans and borrowings of US\$36.46 million, (iii) an increase in amount due to related companies of US\$30.83 million; (iv) and the increase in current liabilities was partially offset by a decrease of US\$3.36 million in income tax payables.

The non-current liabilities increased significantly from US\$0.14 million as at 31 December 2015 to US\$29.42 million as at 31 December 2016 which comprised provisions of US\$9.43 million, deferred tax liabilities of US\$8.86 million, loan and borrowings of US\$10.29 million and other payables of US\$0.84 million.

The Group's net assets stood at US\$200.28 million as at 31 December 2016, or 4.73 US cents per share, compared to US\$197.55 million as at 31 December 2015 or 4.67 US cents per share.

### **Review of the Group's Cash Flows of 31 December 2016**

The Group recorded a net cash generated from operating activities of US\$21.74 million in 4Q2016 compared to US\$10.99 million in 4Q2015, attributable mainly to a reduction in trade and other receivables. The net cash used in operating activities decreased from US\$100.50 million in FY2015 to US\$10.76 million in FY2016 mainly due to better working capital management.

The net cash used in investing activities for 4Q2016 and FY2016 was US\$7.24 million and US\$7.69 million respectively which was mainly due to the acquisition of a subsidiary. The net cash used in investing activities for 4Q2015 and FY2015 was US\$26.66 million and US\$26.97 million respectively. It comprised principally the investment in joint venture and acquisition of intangible assets and property, plant and equipment.

The net cash used in financing activities was US\$1.1 million for 4Q2016 compared to US\$8.17 million in 4Q2015, mainly due to the repayment to holding company. The net cash used in financing activities was US\$2.11 million in FY2016 compared to net cash generated from financing activities of US\$169.54 million in FY2015, attributable mainly to proceeds from issuance of subscription shares in 2015.

As a result of the above, the Group's cash and cash equivalents stood at US\$23.03 million as at 31 December 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.**

According to International Energy Agency (“IEA”), the demand for oil is expected to continue growing in 2017, alongside the long-term growth in China, India and non-Organisation for Economic Co-operation and Development (“OECD”) countries. However, the continued existence of high stocks, and caution from the markets in assessing the level of production cuts agreed by members of the Organization of the Petroleum Exporting Countries (“OPEC”) and eleven non-OPEC countries, may explain why Brent crude oil prices have remained at the mid US\$50 per barrel level since mid-December last year. The oil market is very much in a wait-and-see mode.

In view of the uncertainties in the industry, the Group will continue to use its strategy of acquisitions and investments to diversify its business portfolio and broaden its income streams.

Building on its existing foundation, the Group has made the following progresses.

1. On 24 December 2016, the Group completed its acquisition of 100% equity interest in CEFC Assets Management & Equity Investment (Hong Kong) Co., Limited, which holds 51% interest in Rompetrol France SAS (“Rompetrol France”). Rompetrol France in turn holds 100% of Dyneff SAS (“Dyneff”), one of the leading independent fuel distributors in France with business operations in France and Spain. The transaction has also obtained the required government approvals, notably the clearance for foreign investment by French Ministry of Economy and on antitrust by European Commission.

Despite the challenging business environment in the energy industry, the Group’s acquisition of Dyneff provides a new revenue stream to spearhead growth and also signifies the start of the Group’s business diversification strategy. On top of having an additional income stream, the year ahead will see the Group further integrating Dyneff into its business portfolio, pooling resources to create synergies in business operations, geographical presence and investment plans. Dyneff’s existing oil and gas distribution network, logistics and storage facilities in Europe will provide a stepping stone for the Company’s entry into the European market.

The Group continues to evaluate other investment opportunities from time to time. As disclosed in the announcements dated 7 July 2015 and 18 August 2015, this include a potential floating storage project which is still in the stage of negotiation and another project involved in the construction of certain port facilities and cargo transportation in China, which the Group is reviewing the due diligence results.

2. The Group will also continue to explore different financing channels to support the Group’s strategy of broadening its revenue streams. With the acquisition of Dyneff, more overseas financing options will also be made available to the Group.
3. As the Group expands into new geographies and takes on new investments, it will also continue to attract new talents with relevant expertise to spearhead the Company onto the next phase of growth. On 30 December 2016, the company announced the appointment of new CEO and CFO, whose expertise will be valuable for the Group’s phase of growth.

Notwithstanding the business plans mapped out above, the Group’s performance is dependent upon developments in global economic, financial and commodities markets. The Group will remain vigilant and nimble on any possible impact on its operations and investments as a result of such developments.

**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**

There were no interested person transactions carried out in 4Q2016 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.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

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.**

**Operating Segments**

The Group's business is organised and managed separately according to the nature of the services provided. The following table presents revenue and profit information regarding business segments for the financial year

	<u>Distribution</u> US\$'000	<u>Wholesale</u> US\$'000	<u>Corporate</u> US\$'000	<u>Adjustments and Eliminations</u> US\$'000	<u>Total</u> US\$'000
<b>2016</b>					
<b>Revenue:</b>					
External Customers	-	999,465	-	-	999,465
<b>Results:</b>					
Segment Results	-	5,883	(2,299)	-	3,584
Interest Income	-	-	6	-	6
Finance Expenses	-	(349)	-	-	(349)
Share of Results of Joint Venture	-	-	42	-	42
	-	5,534	(2,251)	-	3,283
Tax expense	-	(560)	-	-	(560)
Net Profit/(Loss) for the Year	-	4,974	(2,251)	-	2,723
<b>Segment Assets:</b>					
Segment Assets	250,194	181,990	194,786	(195,348)	431,532
Investment in Joint Ventures	11,746	-	26,552	-	38,298
Tax Assets	1,712	-	-	-	1,712
Total Assets	263,652	181,990	221,338	(195,348)	471,542
<b>Segment Liabilities:</b>					
Segment Liabilities	216,211	153,200	21,009	(145,009)	245,411
Tax Liabilities	8,860	685	-	-	9,545
Total Liabilities	225,071	153,885	21,009	(145,009)	254,956
<b>Capital expenditure</b>	-	-	516	-	516
<b>Significant Non-cash Items:</b>					
Depreciation and Amortisation	-	-	219	-	219

## Operating Segments

	<u>Distribution</u> US\$'000	<u>Wholesale</u> US\$'000	<u>Corporate</u> US\$'000	<u>Adjustments and Eliminations</u> US\$'000	<u>Total</u> US\$'000
<b>2015</b>					
<b>Revenue:</b>					
External Customers	-	474,471	-	-	474,471
<b>Results:</b>					
Segment Results	-	27,432	(5,517)	-	-
Interest Income	-	-	3	-	3
Finance Expenses	-	(81)	-	-	(81)
Share of Results of Joint Venture	-	-	(45)	-	(45)
Tax expense	-	27,351	(5,559)	-	21,792
Net Profit/(Loss) for the Year	-	(3,847)	-	-	(3,847)
	-	23,504	(5,559)	-	17,945
<b>Segment Assets:</b>					
Segment Assets	-	222,274	174,815	(152,379)	244,710
Investment in Joint Venture	-	-	26,575	-	26,575
Total Assets	-	222,274	202,770	(152,379)	271,285
<b>Segment Liabilities:</b>					
Segment Liabilities	-	193,716	190	(124,220)	69,686
Tax Liabilities	-	4,047	-	-	4,047
Total Liabilities	-	197,763	190	(124,220)	73,733
<b>Capital expenditure</b>	-	-	345	-	345
<b>Significant Non-cash Items:</b>					
Depreciation and Amortisation	-	-	116	-	116



## Geographical segments

The following table presents revenue information on operations by geographical areas for the financial years

	<u>Revenue</u>		<u>Non-current Assets</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	US\$'000	US\$'000	US\$'000	US\$'000
Europe	183,319	35,296	62,320	-
Hong Kong	773,723	303,769	4,358	-
People's Republic of China	-	52,217	26,552	26,575
Singapore	24,002	83,189	617	352
Others	18,421	-	-	-
	<u>999,465</u>	<u>474,471</u>	<u>93,847</u>	<u>26,927</u>

**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 section 8 of this announcement.

**16. A breakdown of sales.**

	<u>Group</u>		
	<u>Year Ended</u> <u>31 Dec 2016</u> <u>USD'000</u>	<u>Year Ended</u> <u>31 Dec 2015</u> <u>USD'000</u>	<u>Increase</u> <u>/(Decrease)</u> <u>%</u>
Revenue Reported for First Half Year	519,365	26,179	1,883%
Net Loss After Tax Reported for First Half Year	(1,086)	(1,664)	(35%)
Revenue Reported for Second Half Year	480,100	448,292	7%
Net Profit After Tax Reported for Second Half Year	3,809	19,609	(81%)

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

	<u>Latest Full Year</u> <u>USD'000</u>	<u>Previous Full Year</u> <u>USD'000</u>
Ordinary	-	-
Preference	-	-

- 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.**

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

- 19. 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 officers 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: 24 February 2017**