



**Unaudited Financial Statement And Dividend Announcement for the Second Quarter and Six Months Ended 30 June 2016**

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

1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

1(a)(i) Statement of comprehensive income for the second quarter and six months ended 30 June 2016

	Note	Group					
		2 <sup>nd</sup> quarter ended 30 June 2016	2 <sup>nd</sup> quarter ended 30 June 2015	Increase / (decrease)	6 months ended 30 June 2016	6 months ended 30 June 2015	Increase / (decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	(a)	16,028	15,350	4	32,212	31,220	3
Cost of sales	(b)	(11,182)	(11,090)	1	(22,202)	(22,632)	(2)
<b>Gross profit</b>		4,846	4,260	14	10,010	8,588	17
Other income/(losses), net		155	(862)	nm	(2,391)	684	nm
Selling and distribution expenses		(450)	(504)	(11)	(917)	(1,069)	(14)
General and administrative expenses		(1,453)	(1,362)	7	(2,683)	(2,575)	4
Finance costs		(1)	(1)	-	(2)	(2)	-
<b>Profit before income tax</b>		3,097	1,531	102	4,017	5,626	(29)
Income tax expense		(4)	(2)	100	(9)	(4)	125
<b>Total profit</b>	(c)	3,093	1,529	102	4,008	5,622	(29)
<b>Other comprehensive income/(loss):</b>							
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Available-for-sale financial assets:							
- Fair value changes		(47)	-	nm	(47)	-	nm
Currency translation differences arising from consolidation		(1,895)	(4,018)	(53)	(552)	(4,157)	(87)
<b>Other comprehensive loss, net of tax</b>		(1,942)	(4,018)	(52)	(599)	(4,157)	(86)
<b>Total comprehensive income/(loss)</b>		1,151	(2,489)	nm	3,409	1,465	133
<b>Profit attributable to:</b>							
Equity holders of the Company		2,937	1,416	107	3,725	5,398	(31)
Non-controlling interests		156	113	38	283	224	26
		3,093	1,529	102	4,008	5,622	(29)
<b>Total comprehensive income/(loss) attributable to:</b>							
Equity holders of the Company		1,131	(2,362)	nm	3,022	1,588	90
Non-controlling interests		20	(127)	nm	387	(123)	nm
		1,151	(2,489)	nm	3,409	1,465	133

**Footnotes:**

(a) Revenue comprises the following:

	Group					
	2 <sup>nd</sup> quarter ended 30 June 2016	2 <sup>nd</sup> quarter ended 30 June 2015	Increase / (decrease)	6 months ended 30 June 2016	6 months ended 30 June 2015	Increase / (decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Sales of goods	12,643	12,399	2	25,636	25,681	-
Finance income	1,588	1,696	(6)	3,239	3,451	(6)
Operating and maintenance income	1,797	1,255	43	3,337	2,088	60
	16,028	15,350	4	32,212	31,220	3

(b) The cost of sales includes the following:

	Group					
	2 <sup>nd</sup> quarter ended 30 June 2016	2 <sup>nd</sup> quarter ended 30 June 2015	Increase / (decrease)	6 months ended 30 June 2016	6 months ended 30 June 2015	Increase / (decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Costs of goods sold	9,989	10,047	(1)	19,954	20,934	(5)
Operating and maintenance fees	977	845	16	1,815	1,306	39
Others	216	198	9	433	392	10
	11,182	11,090	1	22,202	22,632	(2)

(c) Profit for the period included the following:

	Group					
	2 <sup>nd</sup> quarter ended 30 June 2016	2 <sup>nd</sup> quarter ended 30 June 2015	Increase / (decrease)	6 months ended 30 June 2016	6 months ended 30 June 2015	Increase / (decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation	(647)	(668)	(3)	(1,291)	(1,347)	(4)
Gain on disposal of property, plant and equipment	-	3	nm	4	10	(60)
Write back of/(allowance for) impairment of trade receivables	34	(112)	nm	34	(336)	nm
Foreign exchange (loss)/gain, net	(11)	(872)	(99)	(2,699)	806	nm
Bad debts written off	-	(9)	nm	-	(9)	nm
Interest income	125	102	23	251	177	42
Interest expense	(1)	(1)	-	(2)	(2)	-

nm - 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

	Group		Company	
	30/06/2016 S\$'000	31/12/2015 S\$'000	30/06/2016 S\$'000	31/12/2015 S\$'000
<b>Non-current Assets</b>				
Property, plant and equipment	50,768	50,353	121	167
Investments in subsidiaries	-	-	15,694	15,694
Available-for-sale financial assets	2,774	-	-	-
Service concession receivables*	36,320	41,867	-	-
Other receivables	-	-	21,078	26,513
<b>Total Non-current Assets</b>	<b>89,862</b>	<b>92,220</b>	<b>36,893</b>	<b>42,374</b>
<b>Current Assets</b>				
Inventories	4,921	5,438	-	-
Service concession receivables*	16,053	16,827	-	-
Trade receivables	11,969	11,245	69	45
Other receivables	340	392	53,580	57,567
Prepaid operating expenses	293	213	23	17
Cash and bank balances	52,929	54,893	43,753	47,212
	86,505	89,008	97,425	104,841
Property held-for-sale	7,742	7,742	-	-
<b>Total Current Assets</b>	<b>94,247</b>	<b>96,750</b>	<b>97,425</b>	<b>104,841</b>
<b>Current Liabilities</b>				
Trade payables and accruals	(5,278)	(4,800)	(237)	(758)
Other payables	(68)	(51)	(57)	(46)
<b>Total Current Liabilities</b>	<b>(5,346)</b>	<b>(4,851)</b>	<b>(294)</b>	<b>(804)</b>
<b>Net Current Assets</b>	<b>88,901</b>	<b>91,899</b>	<b>97,131</b>	<b>104,037</b>
<b>Non-current Liabilities</b>				
Deferred income tax liabilities	(685)	(685)	-	-
<b>Total Non-current Liabilities</b>	<b>(685)</b>	<b>(685)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>178,078</b>	<b>183,434</b>	<b>134,024</b>	<b>146,411</b>
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	140,578	140,578	140,578	140,578
Reserves	32,234	37,579	(6,554)	5,833
	172,812	178,157	134,024	146,411
<b>Non-controlling interests</b>	<b>5,266</b>	<b>5,277</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>178,078</b>	<b>183,434</b>	<b>134,024</b>	<b>146,411</b>

\* The Group recognised service concession receivables as it has a contractual right under the concession agreement to receive a fixed and determinable amount of payments during the concession period irrespective of the usage of the plant. The service concession receivables are measured on initial recognition at its fair value. Subsequent to initial recognition, the service concession receivables are measured at amortised cost using the effective interest rate method.

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

**(a) Amount repayable in one year or less, or on demand**

As at 30/06/2016		As at 31/12/2015	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**(b) Amount repayable after one year**

As at 30/06/2016		As at 31/12/2015	
S\$'000		S\$'000	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**(c) Details of any collaterals**

Not applicable.

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

	2 <sup>nd</sup> quarter ended 30 June 2016	2 <sup>nd</sup> quarter ended 30 June 2015	6 months ended 30 June 2016	6 months ended 30 June 2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	3,097	1,531	4,017	5,626
Adjustments for:				
Depreciation	647	668	1,291	1,347
Gain on disposal of property, plant and equipment	-	(3)	(4)	(10)
Bad debt written off	-	9	-	9
(Write back of)/allowance for impairment of trade receivables	(34)	112	(34)	336
Finance income	(1,588)	(1,696)	(3,239)	(3,451)
Interest income	(125)	(102)	(251)	(177)
Interest expenses	1	1	2	2
Unrealised currency translation (gains)/losses	(445)	58	2,670	(1,647)
Operating cash flows before working capital changes	1,553	578	4,452	2,035
Changes in working capital				
Inventories	542	1,164	517	2,554
Service concession receivables	2,121	1,382	7,062	7,314
Trade receivables	96	316	(690)	(651)
Other receivables	(4)	267	148	206
Prepaid operating expenses	122	(167)	(80)	(117)
Trade payables and accruals	197	393	331	(1,153)
Other payables	(34)	(6)	17	(83)
Cash generated from operations	4,593	3,927	11,757	10,105
Interest received	77	52	155	104
Interest paid	(1)	(1)	(2)	(2)
Income tax paid	(4)	(2)	(9)	(4)
<b>Net cash generated from operating activities</b>	4,665	3,976	11,901	10,203
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(187)	(66)	(643)	(116)
Proceeds from disposal of property, plant and equipment	-	4	4	11
Purchase of available-for-sale financial assets	(2,821)	-	(2,821)	-
<b>Net cash used in investing activities</b>	(3,008)	(62)	(3,460)	(105)
<b>Cash flows from financing activities</b>				
Dividend paid to equity holders of the Company	(8,367)	(4,183)	(8,367)	(4,183)
Dividend paid by a subsidiary corporation to non-controlling interests	(398)	-	(398)	-
<b>Net cash used in financing activities</b>	(8,765)	(4,183)	(8,765)	(4,183)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(7,108)	(269)	(324)	5,915
<b>Cash and cash equivalents at beginning of period</b>	60,124	47,461	54,893	40,824
<b>Effects of currency translation on cash and cash equivalents</b>	(87)	(583)	(1,640)	(130)
<b>Cash and cash equivalents at end of period</b>	52,929	46,609	52,929	46,609

- 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

## THE GROUP

### Consolidated statement of changes in equity for the period ended 30 June 2016

	Share capital	Capital reserve	Foreign currency translation reserve	Fair value reserve	Revenue reserve	Total reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>1Q 2016</b>								
<b>Balance at 1 January 2016</b>	<b>140,578</b>	<b>712</b>	<b>(18,288)</b>	<b>-</b>	<b>55,155</b>	<b>37,579</b>	<b>5,277</b>	<b>183,434</b>
Profit for the period	-	-	-	-	788	788	127	915
Other comprehensive income for the period	-	-	1,103	-	-	1,103	240	1,343
Total comprehensive income for the period	-	-	1,103	-	788	1,891	367	2,258
<b>Balance at 31 March 2016</b>	<b>140,578</b>	<b>712</b>	<b>(17,185)</b>	<b>-</b>	<b>55,943</b>	<b>39,470</b>	<b>5,644</b>	<b>185,692</b>
<b>2Q 2016</b>								
Profit for the period	-	-	-	-	2,937	2,937	156	3,093
Other comprehensive loss for the period	-	-	(1,759)	(47)	-	(1,806)	(136)	(1,942)
Total comprehensive income for the period	-	-	(1,759)	(47)	2,937	1,131	20	1,151
Dividend relating to 2015 paid	-	-	-	-	(8,367)	(8,367)	-	(8,367)
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	(398)	(398)
<b>Balance at 30 June 2016</b>	<b>140,578</b>	<b>712</b>	<b>(18,944)</b>	<b>(47)</b>	<b>50,513</b>	<b>32,234</b>	<b>5,266</b>	<b>178,078</b>

### Consolidated statement of changes in equity for the period ended 30 June 2015

	Share capital	Capital reserve	Foreign currency translation reserve	Fair value reserve	Revenue reserve	Total reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>1Q 2015</b>								
<b>Balance at 1 January 2015</b>	<b>140,578</b>	<b>712</b>	<b>(11,098)</b>	<b>-</b>	<b>46,553</b>	<b>36,167</b>	<b>5,883</b>	<b>182,628</b>
Profit for the period	-	-	-	-	3,982	3,982	111	4,093
Other comprehensive loss for the period	-	-	(32)	-	-	(32)	(107)	(139)
Total comprehensive income for the period	-	-	(32)	-	3,982	3,950	4	3,954
<b>Balance at 31 March 2015</b>	<b>140,578</b>	<b>712</b>	<b>(11,130)</b>	<b>-</b>	<b>50,535</b>	<b>40,117</b>	<b>5,887</b>	<b>186,582</b>
<b>2Q 2015</b>								
Profit for the period	-	-	-	-	1,416	1,416	113	1,529
Other comprehensive loss for the period	-	-	(3,778)	-	-	(3,778)	(240)	(4,018)
Total comprehensive loss for the period	-	-	(3,778)	-	1,416	(2,362)	(127)	(2,489)
Dividend relating to 2014 paid	-	-	-	-	(4,183)	(4,183)	-	(4,183)
<b>Balance at 30 June 2015</b>	<b>140,578</b>	<b>712</b>	<b>(14,908)</b>	<b>-</b>	<b>47,768</b>	<b>33,572</b>	<b>5,760</b>	<b>179,910</b>

## THE COMPANY

### Statement of changes in equity for the period ended 30 June 2016

	Share capital	Capital reserve	Revenue reserve	Total reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>1Q 2016</b>					
<b>Balance at 1 January 2016</b>	<b>140,578</b>	<b>74</b>	<b>5,759</b>	<b>5,833</b>	<b>146,411</b>
Total comprehensive loss for the period	-	-	(3,623)	(3,623)	(3,623)
<b>Balance at 31 March 2016</b>	<b>140,578</b>	<b>74</b>	<b>2,136</b>	<b>2,210</b>	<b>142,788</b>
<b>2Q 2016</b>					
Total comprehensive loss for the period	-	-	(397)	(397)	(397)
Dividend relating to 2015 paid	-	-	(8,367)	(8,367)	(8,367)
<b>Balance at 30 June 2016</b>	<b>140,578</b>	<b>74</b>	<b>(6,628)</b>	<b>(6,554)</b>	<b>134,024</b>

### Statement of changes in equity for the period ended 30 June 2015

	Share capital	Capital reserve	Revenue reserve	Total reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>1Q 2015</b>					
<b>Balance at 1 January 2015</b>	<b>140,578</b>	<b>74</b>	<b>(149)</b>	<b>(75)</b>	<b>140,503</b>
Total comprehensive income for the period	-	-	2,727	2,727	2,727
<b>Balance at 31 March 2015</b>	<b>140,578</b>	<b>74</b>	<b>2,578</b>	<b>2,652</b>	<b>143,230</b>
<b>2Q 2015</b>					
Total comprehensive loss for the period	-	-	(1,577)	(1,577)	(1,577)
Dividend relating to 2014 paid	-	-	(4,183)	(4,183)	(4,183)
<b>Balance at 30 June 2015</b>	<b>140,578</b>	<b>74</b>	<b>(3,182)</b>	<b>(3,108)</b>	<b>137,470</b>

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediate preceding financial year.**

There were no changes in the Company's share capital for the second quarter ended 30 June 2016.

The Company has no outstanding convertibles and does not hold any treasury shares as at 30 June 2016 and 30 June 2015.

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

	<b>Company</b>	
	<u>30.06.2016</u>	<u>31.12.2015</u>
Number of issued shares	836,667,121	836,667,121

The Company did not hold any treasury shares as at 30 June 2016 and 31 December 2015.

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

Not applicable.

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

The figures have not been audited 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.

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

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with those used in the audited financial statements for the year ended 31 December 2015.

- 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.**

The Group has adopted all the new and revised Singapore Financial Reporting Standards (FRS) and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016.

The adoption of the new and revised FRSs and INT FRSs 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 period.



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.**

				<b>Group</b>			
				2 <sup>nd</sup> quarter ended 30 June 2016	2 <sup>nd</sup> quarter ended 30 June 2015	6 months ended 30 June 2016	6 months ended 30 June 2015
Earnings per ordinary share for the period based on profit attributable to equity holders of the Company							
(i)	Based on weighted average number of ordinary shares on issue	S\$ cents		0.35	0.17	0.44	0.65
(ii)	On a fully diluted basis	S\$ cents		0.35	0.17	0.44	0.65

The above earnings per share is calculated based on the Group's profit after tax with total number of ordinary shares in issue of 836,667,121 (2015: 836,667,121) during the respective financial periods.

7. **Net asset value (for the issuer and the group) per ordinary share based on issued share capital of the issuer at the end of the (a) current financial period reported on and (b) immediately preceding financial year.**

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

		30 June 2016	31 December 2015
The Group	S\$ cents	20.65	21.29
The Company	S\$ cents	16.02	17.50

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.**

**(a) Review of Statement of comprehensive income**

2<sup>nd</sup> quarter ended 30 June 2016 ("2Q2016") Vs 2<sup>nd</sup> quarter ended 30 June 2015 ("2Q2015")

The Group recorded revenue of S\$16.0 million and gross profit of S\$4.8 million in 2Q2016, an increase of 4% and 14% respectively as compared with 2Q2015.

Revenue from the paper business in the current quarter was fairly consistent with 2Q2015. The gross profit margin for the current quarter increased from 19% to 21% on a year-on-year basis. The improvement was mainly due to increase in selling prices of paper mill products as compared with 2Q2015.

Contributions from the power plant business, i.e. finance income (interest income on the service concession receivables recognised in respect of the construction service) and operating and maintenance income which were recognised in accordance with INT FRS 112 were relatively steady and assured income from the guaranteed take-up rates from the grantor, Myanmar Electric Power Enterprise (MEPE) under the service concession arrangement. The increase in operating and maintenance income was mainly due to highly volume of electrical energy above the minimum contracted production generated and take-up by MEPE.

Other income (net) mainly consisted of interest income of S\$125k (2Q2015: S\$102k) and write-back of allowance for trade receivables amounted to S\$34k (2Q2015: Allowance for impairment of trade receivables of S\$112k). Other losses (net) for 2Q2015 were mainly due to foreign exchange loss of S\$872k (2Q2016: S\$11k) that arose from the translation of United States Dollar ("USD") denominated receivables and bank balances.

For the 2Q2016, the Group reported a net profit of S\$3.1 million, an increase of S\$1.6 million or 102% from S\$1.5 million for the 2Q2015. Excluding the effects of foreign exchange loss (2Q2016: S\$11k; 2Q2015: S\$872k), the Group's net profit would have increased by S\$0.7 million or 29%, mainly due to higher contributions by both the paper mill and power plant businesses.

6 months ended 30 June 2016 ("6M2016") Vs 6 months ended 30 June 2015 ("6M2015")

The Group recorded revenue of S\$32.2 million and gross profit of S\$10.0 million for 6M2016, an increase of 3% and 17% respectively as compared with 6M2015.

Contributions from the power plant business, i.e. finance income (interest income on the service concession receivables recognised in respect of the construction service) and operating and maintenance income which were recognised in accordance with INT FRS 112 were relatively steady and assured income from the guaranteed take-up rates from the grantor, Myanmar Electric Power Enterprise (MEPE) under the service concession arrangement. The increase in operating and maintenance income was mainly due to highly volume of electrical energy above the minimum contracted production generated and take-up by MEPE.

Revenue from the paper business for 6M2016 was fairly consistent with 6M2015. Gross profit margin increased from 19% to 22% on a year-on-year basis. The improvement was mainly due to increase in selling prices of paper mill products as compared with 6M2015.

Other losses (net) of S\$2.4 million for 6M2016 was mainly due to the swing of foreign exchange difference from a gain of S\$0.8 million for 6M2015 to a loss of S\$2.7 million for 6M2016 that arose mainly from the translation of USD denominated receivables and bank balances.

For the 6M2016, the Group achieved a cumulative net profit of S\$4.0 million, a decrease of 29% from S\$5.6 million in the previous corresponding period. Excluding the effects of foreign exchange difference as explained above, the Group's net profit would have increased by S\$1.9 million or 39%, mainly due to higher contributions by both the paper mill and power plant businesses.

## **(b) (i) Review of Statement of Financial Position**

### Group level

The long-term and short-term “service concession receivables” relates to the Ywama gas-fired electricity generating power plant. The Group recognised the consideration receivables as financial receivables in accordance with INT FRS 112. The decrease was mainly due to payment received during the current period being partially offset by the accrued finance income which represents the interest income on the service concession receivables recognised using the effective interest method.

Total current assets decreased by S\$2.5 million from S\$96.7 million as at 31 December 2015 to S\$94.2 million as at 30 June 2016. The decrease was mainly due to the purchase of quoted shares for long term investment purposes amounting to S\$2.8 million.

The Group’s net current assets remain healthy at S\$88.9 million. Against 31 December 2015, the Group’s total equity as at 30 June 2016 was 2.9% lower at S\$178.1 million.

### Company level

The decrease in non-current assets was mainly due to reclassification of a portion of loan to a subsidiary which is due for repayment within one year to current assets.

Total current assets decreased by S\$7.4 million from S\$104.8 million as at 31 December 2015 to S\$97.4 million as at 30 June 2016 was mainly due to revaluation loss on intercompany receivables and bank balances denominated in USD and payment of dividend to shareholders of the Company amounted to S\$8.4 million in the second quarter of 2016. The decrease was partially offset by loan to a subsidiary which is due for repayment within one year reclassified from non-current assets.

## **(b) (ii) Review of Statement of Cash Flows**

### 2<sup>nd</sup> quarter ended 30 June 2016 (“2Q2016”)

Net cash generated from operating activities for 2Q2016 was approximately S\$4.7 million, a slight increase of S\$0.7 million as compared with the same corresponding quarter last year. The increase was mainly due to higher operating profit generated and faster collection of trade receivables in 2Q2016 as compared with 2Q2015.

Net cash used in investing activities was S\$3.0 million. During 2Q2016, there was a cash outflow of S\$2.8 million for purchase of quoted shares for long term investment purposes.

Net cash used in financing activities was S\$8.8 million. During 2Q2016, there was a cash outflow for payment of dividend to shareholders of the Company and non-controlling interests of a subsidiary corporation amounted to S\$8.4 million and S\$0.4 million respectively.

### 6 months ended 30 June 2016 (“6M2016”)

As at 30 June 2016, the Group has cash and cash equivalents amounted to S\$52.9 million. This was 4% or S\$2.0 million lower (after taken into the effects of currency translation on cash and cash equivalents) compared to that as at 31 December 2015.

For 6M2016, the net cash generated from operating activities was S\$11.9 million whereas the net cash used in financing activities for dividend payment was S\$8.8 million and net cash used in investing activities for purchase of quote shares was S\$2.8 million.

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

No forecast was previously provided.

## **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.**

### **Outlook**

The performance for both the paper mill and power plant segments of the Group are expected to be relatively stable and will continue to provide a recurring income stream. However, the Group views that the unclear global financial conditions and volatility in foreign exchange may still pose some uncertainties and challenges to the Group’s businesses.

The Group will continue to look for opportunities in the region and globally, but will remain cautious and mindful of risks, especially as economic conditions globally become more challenging.

**11. Dividend**

**(a) 2<sup>nd</sup> Quarter ended 30 June 2016**

**Any dividend declared for the current financial period reported on?**

Yes.

Name of dividend	Interim
Dividend type	Cash
Dividend amount per Share (in S\$ cents)	0.50 cents
Tax rate	-

**(b) 2<sup>nd</sup> Quarter ended 30 June 2015**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

**(c) Date payable**

The Company is pleased to announce that an interim dividend of 0.5 cents per ordinary share tax exempt under the One-Tier system for the financial year ending 31 December 2016 will be paid on 31 August 2016 to shareholders registered in the Register of Members of the Company at 5.00pm on 19 August 2016.

**(d) Books closure date**

Notice is hereby given that the Register of Members and Register of Transfers of the Company will be closed on 20 August 2016 for the purpose of determination of members' entitlements to the interim dividend.

Duly completed registrable transfers received by the Company's Share Registrar, M&C Services Private Limited at 112 Robinson Road #05-01 Singapore 068902 up to the close of business at 5.00 p.m. on 19 August 2016 will be registered to determine shareholders' entitlements to the interim dividend.

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

Not applicable.

**13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

	Aggregate value of all IPT during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual during the financial period under review (excluding transactions less than \$100,000)
Name of Interested Person		
None	-	-
<b>Total Interested Person Transactions</b>	<b>-</b>	<b>-</b>

**14. Status on the use of net proceeds raised from Share Placement (completion of allotment on 16 May 2012)**

As stated in the Annual Report 2015, a total of approximately S\$31.3 million of the net Placement proceeds of approximately S\$40.3 million ("Net Proceed") was utilised as follows:-

- (a) As announced on 28 February 2014, the Company has utilised an amount of S\$24.0 million to satisfy part of the consideration amounting to S\$36.8 million which is due and payable under the Turnkey Agreement.

The Company confirms that the above amounts of proceeds from the Placement were used as previously disclosed.

- (b) As announced on 26 March 2014, the Company has utilised an amount of approximately S\$7.3 million of the Net Proceeds to satisfy the balance of the consideration which is due and payable under the Turnkey Agreement (the "Turnkey Amount").

The Company notes that the use of the Net Proceeds for the Turnkey Amount represents a change in the intended allocation of the Net Proceeds as stated in its announcement dated 4 May 2012.

The unutilised balance of the Net Proceeds is approximately S\$9.0 million as at the date of this result announcement.

**15. Negative assurance confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual**

The Board of Directors of the Company hereby confirm that to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the second quarter and six months ended 30 June 2016 to be false or misleading in any material respect.

**16. 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**

Tong Kooi Ong  
Executive Chairman

Koh Wan Kai  
Executive Director

11 August 2016