

**SBI OFFSHORE LIMITED**  
**(Registration No: 199407121D)**  
**Unaudited Financial Statements and Dividend Announcement**  
**For the Half Year Ended 30 June 2016 ("1H2016")**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness, or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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

**1(a)(i) 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.**

<b>Group</b>	<b>1H2016</b>	<b>1H2015</b>	<b>Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	<b>%</b>
Revenue	942	4,657	(79.8)
Cost of sales	(725)	(2,556)	(71.6)
Gross profit	217	2,101	(89.7)
<b>Other items of income</b>			
Interest income	99	17	482.4
Other income	276	43	541.9
<b>Other items of expense</b>			
Administrative and other expenses	(2,142)	(2,466)	(13.1)
Finance costs	-	(12)	NM
Share of results of an associate, net of tax	-	111	NM
Share of results of a joint venture, net of tax	(12)	183	NM
<b>Loss before income tax</b>	<b>(1,562)</b>	<b>(23)</b>	<b>6,691.3</b>
Income tax expense	-	29	NM
<b>(Loss)/Profit for the financial period</b>	<b>(1,562)</b>	<b>6</b>	<b>NM</b>
<b>(Loss)/Profit attributable to:</b>			
Owners of the parent	(1,525)	6	NM
Non-controlling interests	(37)	-	NM
	<b>(1,562)</b>	<b>6</b>	<b>NM</b>

**1(a)(i) 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.**

<b>Group</b>	<b>1H2016 US\$'000</b>	<b>1H2015 US\$'000</b>	<b>Change %</b>
<b><u>Statement of comprehensive income</u></b>			
<b>Other comprehensive income:</b>			
<b><i>Items that may be reclassified subsequently to profit or loss</i></b>			
Exchange differences arising from translation of foreign operations net of tax of US\$Nil	(50)	98	NM
<b>Total comprehensive income for the financial period</b>	<b>(1,612)</b>	<b>104</b>	NM
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	(1,575)	104	NM
Non-controlling interests	(37)	-	NM
	<b>(1,612)</b>	<b>104</b>	NM

NM – Not meaningful

**1(a)(ii) Breakdown and explanatory notes to the statement of comprehensive income.**

(Loss)/Profit before tax of the Group is arrived at after charging/(crediting) the following:

	<b>1H2016 US\$'000</b>	<b>1H2015 US\$'000</b>	<b>Change %</b>
Depreciation of property, plant and equipment	178	208	(14)
Amortization of intangible assets	23	19	21
Amortization of land lease prepayment	13	13	-
Operating lease expenses	52	53	(2)
Employees' share-based payments	12	18	(33)
Foreign currency exchange (gain)/loss	(223)	159	NM
Loss on disposal of property, plant and equipment	55	-	NM
Gain on disposal of an associate	(196)	-	NM
Provision for doubtful debt	463	-	NM

**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	31.12.2015	30.06.2016	31.12.2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Non-current assets</b>				
Property, plant and equipment	3,876	4,179	46	122
Land lease prepayment	975	1,010	-	-
Intangible assets	48	57	32	38
Investments in subsidiaries	-	-	3,371	3,371
Investment in joint venture	856	868	50	50
	<b>5,755</b>	<b>6,114</b>	<b>3,499</b>	<b>3,581</b>
<b>Current assets</b>				
Trade and other receivables	1,791	2,946	6,570	9,208
Cash and cash equivalents	17,958	18,165	16,771	14,890
	<b>19,749</b>	<b>21,111</b>	<b>23,341</b>	<b>24,098</b>
Assets classified as held for sale	-	3,117	-	1,800
	<b>19,749</b>	<b>24,228</b>	<b>23,341</b>	<b>25,898</b>
<b>Current liabilities</b>				
Trade and other payables	1,119	4,392	1,338	4,603
Current income tax payable	35	-	35	-
	<b>1,154</b>	<b>4,392</b>	<b>1,373</b>	<b>4,603</b>
<b>Net current assets</b>	<b>18,595</b>	<b>19,836</b>	<b>21,968</b>	<b>21,295</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	4	4	4	4
<b>Net assets</b>	<b>24,346</b>	<b>25,946</b>	<b>25,463</b>	<b>24,872</b>

**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	31.12.2015	30.06.2016	31.12.2015
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Equity</b>				
Share capital	25,253	25,253	25,253	25,253
Other reserves	219	207	254	242
Foreign currency translation reserve	333	383	-	-
Accumulated (losses)/profits	(1,349)	176	(44)	(623)
Equity attributable to owners of the parent	24,456	26,019	25,463	24,872
Non-controlling interests	(110)	(73)	-	-
<b>Total equity</b>	<b>24,346</b>	<b>25,946</b>	<b>25,463</b>	<b>24,872</b>

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

Not applicable. The Group did not have any borrowings or debt securities as at 30 June 2016 and 31 December 2015.

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

Group	1H2016 US\$'000	1H2015 US\$'000
<b><u>Cash flows from operating activities</u></b>		
Loss before income tax	(1,562)	(23)
Adjustments for:		
Amortization of intangible assets	23	19
Amortization of land lease prepayment	13	13
Depreciation of property, plant and equipment	178	208
Gain on disposal of an associate	(196)	-
Loss on disposal of property, plant and equipment	55	-
Provision for doubtful debt	463	-
Interest income	(99)	(17)
Interest expense	-	12
Share of results of an associate	-	(111)
Share of results of a joint venture	12	(183)
Employees' share-based payments	12	18
<b>Operating cash flows before working capital changes</b>	<b>(1,101)</b>	<b>(64)</b>
Trade and other receivables	1,094	(1,838)
Trade and other payables	(310)	(771)
<b>Cash used in operations</b>	<b>(317)</b>	<b>(2,673)</b>
Interest income	57	17
Interest expense	-	(12)
Income tax paid	-	(188)
<b>Net cash used in operating activities</b>	<b>(260)</b>	<b>(2,856)</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of plant and equipment	(1)	(107)
Purchase of intangible assets	(14)	-
Proceeds from disposal of plant and equipment	6	-
Dividend received from a joint venture	-	500
<b>Net cash (used in)/generated from investing activities</b>	<b>(9)</b>	<b>393</b>

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

<b>Group</b>	<b>1H2016</b>	<b>1H2015</b>
	<b>US\$'000</b>	<b>US\$'000</b>
<b><u>Cash flows from financing activities</u></b>		
Repayment of bank borrowings	-	(929)
Proceeds from bank borrowings	-	1,094
Decrease in pledged fixed deposits	-	153
<b>Net cash generated from financing activities</b>	<b>-</b>	<b>318</b>
<b>Net change in cash and cash equivalents</b>	<b>(269)</b>	<b>(2,145)</b>
Cash and cash equivalents at beginning of financial period	17,578	17,263
Effect of foreign exchange rate changes in cash and cash equivalent	62	96
<b>Cash and cash equivalents at end of financial period</b>	<b>17,371</b>	<b>15,214</b>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and cash equivalents	17,958	15,800
Less: Fixed deposits pledged	(587)	(586)
<b>Cash and cash equivalents at end of financial period</b>	<b>17,371</b>	<b>15,214</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Group**

	Share capital US\$'000	Share-based payment reserve US\$'000	Equity non- controlling interest US\$'000	Foreign currency translation reserve US\$'000	Accumulated profits US\$'000	Equity attributable to owners of the parent US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2016	25,253	242	(35)	383	176	26,019	(73)	25,946
<b>Total comprehensive income for the financial period</b>								
Loss for the financial period	-	-	-	-	(1,525)	(1,525)	(37)	(1,562)
<b>Other comprehensive income</b>								
Exchange differences arising from translation of foreign operations	-	-	-	(50)	-	(50)	-	(50)
<b>Total comprehensive income for the financial period</b>	-	-	-	(50)	(1,525)	(1,575)	(37)	(1,612)
<b>Transactions with owners of the parent recognised directly in equity</b>								
Employees' share-based payments	-	12	-	-	-	12	-	12
<b>Total transactions with owners of the parent</b>	-	12	-	-	-	12	-	12
<b>Balance at 30 June 2016</b>	<b>25,253</b>	<b>254</b>	<b>(35)</b>	<b>333</b>	<b>(1,349)</b>	<b>24,456</b>	<b>(110)</b>	<b>24,346</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Group**

	Share capital US\$'000	Share-based payment reserve US\$'000	Equity non- controlling interest US\$'000	Foreign currency translation reserve US\$'000	Accumulated profits US\$'000	Equity attributable to owners of the parent US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
Balance at 1 January 2015	25,253	202	(35)	479	4,219	30,118	-	30,118
<b><i>Total comprehensive income for the financial period</i></b>								
Profit for the financial period	-	-	-	-	6	6	-	6
<b><i>Other comprehensive income</i></b>								
Exchange differences arising from translation of foreign operations	-	-	-	98	-	98	-	98
<b>Total comprehensive income for the financial period</b>	-	-	-	98	6	104	-	104
<b><i>Transactions with owners of the parent recognised directly in equity</i></b>								
Employees' share-based payments	-	18	-	-	-	18	-	18
<b>Total transactions with owners of the parent</b>	-	18	-	-	-	18	-	18
<b>Balance at 30 June 2015</b>	<b>25,253</b>	<b>220</b>	<b>(35)</b>	<b>577</b>	<b>4,225</b>	<b>30,240</b>	<b>-</b>	<b>30,240</b>



**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.**

**Company**

	Share capital US\$'000	Share- based payment reserve US\$'000	Accumulated profits US\$'000	Total equity US\$'000
Balance at 1 January 2016	25,253	242	(623)	24,872
Total comprehensive income for the financial period	-	-	579	579
<b>Transactions with owners of the parent recognized directly in equity</b>				
Employees' share-based payments	-	12	-	12
<b>Total transactions with owners of the parent</b>	-	12	-	12
<b>Balance at 30 June 2016</b>	<b>25,253</b>	<b>254</b>	<b>(44)</b>	<b>25,463</b>
Balance at 1 January 2015	25,253	202	4,600	30,055
Total comprehensive income for the financial period	-	-	549	549
<b>Transactions with owners of the parent recognized directly in equity</b>				
Employees' share-based payments	-	18	-	18
<b>Total transactions with owners of the parent</b>	-	18	-	18
<b>Balance at 30 June 2015</b>	<b>25,253</b>	<b>220</b>	<b>5,149</b>	<b>30,622</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 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.**

### **Ordinary Shares**

There were no changes in the Company's share capital in 1H2016.

### **Employees' Share Option Scheme ("ESOS")/Performance Share Plan ("PSP")**

The total number of outstanding share options granted under the ESOS as at 30 June 2016 was 10 million (30 June 2015: 10 million).

There were no outstanding share awards granted under the PSP as at 30 June 2016 (30 June 2015: NIL).

Save for the aforementioned ESOS options and PSP shares, the Company did not have any other outstanding convertibles as at 30 June 2016 and 30 June 2015.

The Company did not have 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 the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at 30 June 2016 was 249,680,100 (31 December 2015: 249,680,100). The Company did not have any treasury shares as at 30 June 2016 and 31 December 2015.

**1(d)(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. The Company did not have any treasury shares as at the end of the current financial period reported on.

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

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

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable. The figures have neither been audited nor reviewed by the auditors.

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

Save as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation adopted in the financial statements for the current financial period compared with those of the audited annual financial statements for the financial 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.**

In the current financial period, the Group adopted all the applicable new and revised Singapore Financial Reporting Standards (“FRS”) and Interpretations of FRS (“INT FRS”) that are mandatory for annual periods beginning on or after 1 January 2016. The adoption of these new/revised FRS and INT FRS did not result in significant change to the Group’s accounting policies and has no material effect on the Group’s results.

**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>	<b>1H2016</b>	<b>1H2015</b>
Basic earnings per share (US cents)	(0.61)	0.01
Weighted average number of shares ('000)	249,680	249,680
Fully diluted earnings per share (US cents)	(0.61)	0.01
Weighted average number of shares ('000)	249,680	259,680

The basic and diluted earnings per share were computed by dividing the profit or loss attributable to owners of the parent by the weighted average number of ordinary shares. The effect of diluted potential ordinary shares from the share options granted under the Employee’s Share Option Scheme is excluded from the denominator as it is antidilutive for 1H2016.

**7. Net asset 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.**

	<b>Group</b>		<b>Company</b>	
	<b>30.06.2016</b>	<b>31.12.2015</b>	<b>30.06.2016</b>	<b>31.12.2015</b>
Net asset value per share (US cents)	9.79	10.42	10.20	9.96
Number of shares in issue ('000)	249,680	249,680	249,680	249,680

Net asset value per ordinary share was calculated by dividing the equity attributable to the owners of the Group and the Company by the number of ordinary shares issued.

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 financial period reported on.

**Commentaries on performance**

Revenue	1H2016	1H2015	Change	
	US\$'000	US\$'000	US\$'000	%
Marketing and distribution	942	4,423	(3,481)	(78.7)
Projects	-	234	(234)	NM
<b>Total</b>	<b>942</b>	<b>4,657</b>	<b>(3,715)</b>	<b>(79.8)</b>

1. Revenue for 1H2016 was \$0.9 million, 79.8% lower than 1H2015 of \$4.7 million. The lower revenue was mainly attributed to challenging market conditions which was affected by the downturn of the global oil and offshore market.
2. Gross profit margin deteriorated from 45.1% in 1H2015 to 23.0% in 1H2016, due to competitive pressures in the offshore and marine sectors.
3. Interest income increased significantly to \$99,000 in 1H2016 from \$17,000 in 1H2015, due to higher fixed deposits placed with financial institutions.
4. Other income was higher by \$0.2 million primarily due to a gain on disposal of an associate.
5. Administrative and other expenses decreased by \$0.3 million or 13.1%. Cost savings measures were undertaken in 1H2016 which resulted in expenses reducing by \$ 251,000 (18.9%) but partially offset by a provision of \$463,000 for a potential bad debt.

Cost-savings measures included reduction of staff costs as the Group reduced its headcount from 31 as at 31 December 2015 to 24 as at 30 June 2016. The full impact from this headcount reduction is expected to flow through in 2H2016. In addition, foreign exchange gain of \$0.2 million arose from the strengthening of the Singapore Dollar against the US Dollar in 1H2016.

The potential bad debt is the remaining outstanding balance of an advance for an acquisition prospect that the Group had not proceeded with and the advance had been guaranteed by a former director. A writ of summons to demand payment had been filed in the High Court against the former director.

6. On 4 January 2016, the Group had completed the transfer of its 35% equity of Jiangyin Neptune Marine Appliance Co., Ltd ("Associate") to Jiangyin Wanjia Yacht Co., Ltd. Consequently, there was no share of results of that Associate in 1H2016. A gain on disposal of the associate of \$196,000 was recorded.
7. The Group's share of results of a joint venture for 1H2016 was a loss of \$12,000. RBV Energy (Singapore) Pte. Ltd. ("RBVS") reported revenue of approximately \$0.5 million (equivalent to 50% equity stake) in 1H2016 compared to \$1.2 million (equivalent to 50% equity stake) in 1H2015 (not included in the Group's consolidated revenue). The decrease in revenue was due to lower sales volume generated arising from the downturn in the global oil and gas industry.
8. Depreciation of property, plant and equipment decreased by \$30,000, mainly due to certain assets being fully impaired and depreciated as at 31 December 2015.

**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 financial period reported on.**

As a result, the Group registered a net loss attributable to owners of the parent of \$1.6 million in 1H2016 against a net profit of \$6,000 in 1H2015. This was due to the downturn in the offshore and marine industry. The Group's diversification into the solar business has made some progress with projects being evaluated in South Africa, amongst others. However, it has yet to deliver results given that diversification into the solar business was only approved by shareholders on 28 September 2015. Securing such long term recurring income contracts in developing countries takes time. Excluding the impairment of the potential bad debt of \$463,000 explained above, the Group would have recorded a loss of \$1.1 million.

#### **Commentaries on financial position**

Non-current assets decreased by \$0.3 million, explained by depreciation and amortisation charges during the period as well as the disposal of plant and equipment.

Current assets decreased by \$4.5 million largely attributable to (i) the disposal of the Group's associate held for sale; (ii) repayment of outstanding debts by customers and (iii) provision for doubtful debt of \$463,000.

Current liabilities decreased by \$3.2 million, due to lower trade and other payables resulting from payments to vendors and reversal of the \$3 million advance received from the purchaser upon completion of the disposal of the associate in January 2016.

The Group's working capital position stood at \$18.6 million as at 30 June 2016, as compared to working capital of \$19.8 million as at 31 December 2015.

#### **Commentaries on cash flows**

The Group's net cash used in operating activities amounted to \$0.3 million, mainly due to the operating loss recorded in 1H2016. This compares with the net cash used in operating activities of \$2.9 million in 1H2015.

There was no cash flow movement from financing activities and minimal for investing activities in 1H2016.

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

The actual results are in line with the performance guidance announced by the Company on 29 July 2016.

**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.**

In view of the slowdown in the global offshore and marine ("O&M") sector, the Group has significantly reduced its O&M activities while embarking on its strategic diversification into the solar energy business ("Solar Initiative"), which was approved by shareholders at the extraordinary general meeting held on 28 September 2015. Pursuant to the aforesaid, the Group reduced its total headcount from 31 as at the end of December 2015 to 18 as at 31 July 2016. Most of the staff reductions were from the O&M sector.

As part of its Solar Initiative, the Company announced on 26 April 2016 that its wholly-owned subsidiary, Solar Energy Investments Pte. Ltd. ("Solar Energy") would undertake a solar photovoltaic energy project in Hopetown, South Africa to supply an initial 50 megawatt of power to the local municipality ("Hopetown Project"). Solar Energy would be setting up a subsidiary in South Africa with a local partner to undertake the Hopetown Project.

**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.**

While the Group was negotiating with the relevant parties and authorities in South Africa to implement the Hopetown Project, it received notices from certain shareholders on 18 July 2016 requisitioning the Board of Directors of the Company ("Board") to convene an extraordinary general meeting ("EGM") to remove Mr Chan Lai Thong, the Chief Executive Officer of the Group, as a director of the Company and to appoint four new directors ("Proposed Directors").

The EGM requisition has created uncertainty and confusion with the Group's employees and potential partners in the solar business. As a result, the Group's business operations (including the implementation of the Hopetown Project) have been affected.

In the meantime, it has been brought to the attention of the Board Audit and Risk Management Committee ("ARMC") that there are corporate governance issues relating to Mr Chan and some of the Proposed Directors. As such, the ARMC engaged professional advisers to look into these issues and will provide further update to shareholders when the professional advisers complete their report. Based on the information currently available to the Board, these issues are not expected to have any material impact on the financial performance, cash balances or net assets of the Group.

The Group's ability to continue with its Solar Initiative will depend on whether there are significant changes to the Board and senior management. In this regard, the Company has announced that it will be convening the EGM on 16 September 2016 to consider the resolutions proposed by the aforesaid shareholders and will provide further information on the proposed resolutions in due course.

**11. If a decision regarding dividend has been made:**

**(a) Whether an interim (final) ordinary dividend has been declared (recommended); and**

No.

**(b)(i) Amount per share (cents)**

Not applicable.

**(b)(ii) Previous corresponding period (cents)**

None.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable.

**(d) The date the dividend is payable**

Not applicable.

**(e) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined**

Not applicable.

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

No dividend has been declared/recommended for 1H2016.

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

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
NIL	NIL	NIL

No general mandate has been obtained from shareholders for IPTs.

#### 14. Use of Proceeds

In October 2014, the Company issued 62 million new ordinary shares via share placements to four investors at an issue price of S\$0.2605 per share, raising net proceeds of approximately S\$16.1 million (US\$12.8 million). The use of the net proceeds from the issuance of placement shares was as follows:

Use of net proceeds	Amount Utilised			
	Amount Allocated S\$'000	Balance brought forward S\$'000	1H2016 S\$'000	Balance S\$'000
1) Funding for new projects	11,306	-	(743)	10,563
2) Funding for existing project	4,845	(2,171)	(261)	2,413
<b>Total</b>	<b>16,151</b>	<b>(2,171)</b>	<b>(1,004)</b>	<b>12,976</b>

The above utilisation is in line with the intended uses of the net proceeds stated in the Company's announcement dated 23 September 2014.

#### 15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

#### 16. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Mirzan Bin Mahathir and Chan Lai Thong, being two directors do hereby confirm on behalf of the Board that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the half year ended 30 June 2016 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Mirzan Bin Mahathir  
Director

Chan Lai Thong  
Director

Date: 13 August 2016