

## USP Group Limited

(Incorporated in Singapore)  
(Co. Reg. No: 200409104W)

### UNAUDITED FINANCIAL STATEMENT ANNOUNCEMENT FOR THE FULL YEAR RESULTS ENDED 31 MARCH 2015

#### PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS

#### 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.

The Board of Directors (the "Board") hereby announces the results of the Group for the 16 months ended 31 March 2015 following a change in financial year end as announced on 28 November 2014. These figures have not been audited.

Prior to 1 December 2014, the Company's functional currency was United States dollar (US\$) and the Company presented its financial statements in US\$. Following Management's assessment of appropriate functional currency of the Company and its subsidiaries during the period, the Group changed its functional currency to Singapore dollar (S\$) as it is more reflective of the underlying transactions, events and conditions relevant to the Group. In line with the change in functional currency, the presentation currency of the Group was changed from US\$ to S\$. The comparative information has been translated from the US\$ to S\$ based on exchange rate of US\$1: S\$1.3025.

#### 1(a)(i) Group Consolidated Statement of Comprehensive Income

	16 months ended 31/3/2015	12 months ended 30/11/2013	Change
	S\$'000	(*Represented) S\$'000	%
<b>Continuing operations</b>			
Revenue	1,311	143	816.8
Cost of Sales	(373)	(99)	276.8
<b>Gross Profit</b>	<b>938</b>	<b>44</b>	<b>N.M.</b>
Other income, net	6,268	31	N.M.
Selling and distribution expenses	(534)	(1)	N.M.
General and administrative expenses	(2,725)	(1,852)	47.1
<b>Profit/(loss) before tax</b>	<b>3,947</b>	<b>(1,778)</b>	<b>322.0</b>
Income tax	-	-	
<b>Profit/(loss) after tax</b>	<b>3,947</b>	<b>(1,778)</b>	<b>322.0</b>
<b>Discontinued operations</b>			
Loss after tax from discontinued operations	(743)	(2,336)	(68.2)
Loss on disposal of subsidiaries	(694)	-	N.M.
<b>Net profit/(loss) after tax for the year</b>	<b>2,510</b>	<b>(4,114)</b>	<b>161.0</b>
<b>Attributable to owners of the Company:</b>			
Profit/(loss) after tax from continuing operations	3,960	(1,778)	322.7
Loss after tax from discontinued operations	(1,437)	(2,336)	(38.5)
<b>Profit/(loss) attributable to owners of the Company</b>	<b>2,523</b>	<b>(4,114)</b>	<b>161.3</b>
<b>Non-controlling interests:</b>			
Loss after tax from continuing operations	(13)	-	N.M.
Loss after tax from discontinued operations	-	-	
<b>Loss for the period attributable to non-controlling interests</b>	<b>(13)</b>	<b>-</b>	<b>N.M.</b>

\*Figures were represented due to change of functional currency and discontinued operations.

**1(a)(i) Group Consolidated Statement of Comprehensive Income**

	16 months ended 31/3/2015	12 months ended 30/11/2013	Change
	S\$'000	(*Represented) S\$'000	%
<b>Net profit/(loss) after tax for the year</b>	<b>2,510</b>	<b>(4,114)</b>	<b>161.0</b>
Other comprehensive income:			
Foreign currency translation	-	414	(100.0)
Foreign currency translation differences realised on disposal of subsidiaries	(5,267)	-	N.M.
Total comprehensive income for the year	<b>(2,757)</b>	<b>(3,700)</b>	<b>(25.5)</b>
<b>Total comprehensive income attributable to owners of the Company:</b>			
Total comprehensive income from continuing operations	3,960	(1,778)	322.7
Total comprehensive income from discontinued operations	(6,704)	(1,922)	248.8
<b>Total comprehensive income attributable to owners of the Company</b>	<b>(2,744)</b>	<b>(3,700)</b>	<b>(25.8)</b>
<b>Non-controlling interests:</b>			
Total comprehensive income from continuing operations	(13)	-	N.M.
Total comprehensive income from discontinued operations	-	-	
<b>Total comprehensive income attributable to non-controlling interests</b>	<b>(13)</b>	<b>-</b>	<b>N.M.</b>

**1(a)(ii) Notes to Group Consolidated Statement of Comprehensive Income**

Loss from ordinary activities is stated after charging(crediting):

	16 months ended 31/3/2015	12 months ended 30/11/2013
	S\$'000	(*Represented) S\$'000
<b>Continuing operations</b>		
Depreciation	230	30
Depreciation of development expenses	24	-
Interest expenses, net	(63)	-
Impairment of other receivables	96	-
Professional fees	459	324
Rental expenses	450	190
Staff costs	1,596	1,054
<b>Discontinued operations</b>		
Amortization of land use rights	5	22
Interest expenses, net	26	-
Depreciation	80	72
Professional fees	33	113
Rental expenses	55	59
Staff costs	278	671

Breakdown of other (expenses)/income, net:

	16 months ended	12 months ended
	31/3/2015	30/11/2013
	S\$'000	(*Represented) S\$'000
<b>Continuing operations</b>		
Interest income	90	64
Subsidy income	12	21
Bad debt written off, non trade	(229)	-
Fair value gains on quoted securities	5,942	-
Impairment of receivable	(31)	-
Others	244	3
Exchange gain/(loss), net	235	(57)
Negative goodwill	6	-
Fixed assets expensed off	(1)	-
	<b>6,268</b>	<b>31</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	
	S\$'000		S\$'000	
	Unaudited 31/3/2015	Unaudited 30/11/2013 (*Represented)	Unaudited 31/3/2015	Unaudited 30/11/2013 (*Represented)
<b>Non-current assets</b>				
Property, plant and equipment	17,590	1,521	132	34
Investment in subsidiaries	-	-	1,358	5,780
Land use rights	-	1,047	-	-
	<b>17,590</b>	<b>2,568</b>	<b>1,490</b>	<b>5,814</b>
<b>Current assets</b>				
Cash and short-term deposits	16,235	41,249	11,855	28,228
Development property	3,194	-	-	-
Trade receivables	727	1,144	-	-
Other receivables and prepayments	8,916	856	106	115
Amount due from subsidiaries	-	-	22,934	240
Tax refundable	-	9	-	-
Inventories	14	3,510	-	-
Marketable securities	8,751	-	8,751	-
	<b>37,837</b>	<b>46,768</b>	<b>43,646</b>	<b>28,583</b>
<b>Current liabilities</b>				
Trade payables	366	63	-	3
Other payables	1,964	1,387	117	293
Tax payable	-	74	-	-
Short term bank loan	5,113	1,473	-	-
	<b>7,443</b>	<b>2,997</b>	<b>117</b>	<b>296</b>
<b>Net current assets</b>	<b>30,394</b>	<b>43,771</b>	<b>43,529</b>	<b>28,287</b>
<b>Non-current liability</b>				
Deferred tax liabilities	-	1,115	-	-
	-	<b>1,115</b>	-	-
<b>Net assets</b>	<b>47,984</b>	<b>45,224</b>	<b>45,019</b>	<b>34,101</b>
<b>Equity</b>				
Share capital	46,328	42,714	46,328	42,714
Treasury shares	(1,022)	-	(1,022)	-
Accumulated reserves/(losses)	2,180	2,510	(287)	(8,613)
<b>Equity attributable to owners of the Company</b>	<b>47,486</b>	<b>45,224</b>	<b>45,019</b>	<b>34,101</b>
Non-controlling interests	498	-	-	-
	<b>47,984</b>	<b>45,224</b>	<b>45,019</b>	<b>34,101</b>

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

Amount repayable in one year or less, or on demand

As at 31/3/2015		As at 30/11/2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000 *Represented	S\$'000	S\$'000 *Represented
5,113	-	1,473	-

Amount repayable after one year

As at 31/3/2015		As at 30/11/2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000 *Represented	S\$'000	S\$'000 *Represented
-	-	-	-

**Details of any collateral**

The Group's borrowings are secured by properties held by the Group.

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

	Group	
	S\$'000	
	Unaudited 31/3/2015 S\$'000	Unaudited 30/11/2013 S\$'000 *Represented
<b>Operating activities:</b>		
Profit/(loss) before tax from continuing operations	3,947	(1,417)
Loss before tax from discontinued operations	(1,437)	(2,755)
Profit/(loss) before tax	2,510	(4,172)
Adjustments for:		
Depreciation of property, plant and equipment	310	102
Amortization of land use rights and development expenses	29	22
Interest income	(96)	(159)
Interest expenses, net	(37)	-
Reversal of inventories write-down, net	(4)	(285)
Loss/(gain) on disposal of property, plant and equipment	-	(17)
Gain on disposal of quoted securities	(1)	-
Loss on disposal of subsidiary	694	-
Bad debt written off	229	-
Gain on bargain purchase	(6)	-
Impairment of property, plant and equipment	-	1,866
Impairment of other receivables	(96)	-
Provision for deferred rental	144	-
Exchange gain, net	(235)	(4)
Fair value gain on short-term investments	(5,942)	-
Foreign currency translation	112	78
<b>Operating cash flows before working capital changes</b>	<b>(1,973)</b>	<b>(2,569)</b>
Trade receivables	(639)	2,046
Other receivables and prepayments	(12,112)	1,460
Inventories	1,299	(29)
Trade payables	(69)	(159)
Other payables	467	784
<b>Cash flows (use in)/generated from operations</b>	<b>(13,027)</b>	<b>1,533</b>
Income tax paid	(55)	-
Interest paid, net	37	-
Interest received	96	159
<b>Net cash flows (used in)/generated from operating activities</b>	<b>(12,949)</b>	<b>1,692</b>
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(6,173)	(1,737)
Purchase of marketable securities	(2,809)	-
Purchase of land	(3,194)	-
Net cash outflow on acquisition of a subsidiary (Note 1)	(2,811)	-
Disposal of subsidiaries, net of cash	(1,845)	-
Acquisition of additional interest in a subsidiary	(653)	-
Sales proceed of property, plant and equipment	-	27
<b>Net cash flows used in from investing activities</b>	<b>(17,485)</b>	<b>(1,710)</b>
<b>Financing activities:</b>		
Net proceeds from issuance of new shares in Rights Issue	3,614	-
Short term bank loan	2,828	1,473
Purchase of treasury shares	(1,022)	-
<b>Net cash flows generated from financing activities</b>	<b>5,420</b>	<b>1,473</b>
Net (decrease)/increase in cash and cash equivalents	(25,014)	1,455
Effect of exchange rate changes on cash and cash equivalents	-	272
Cash and cash equivalents at beginning of the year	41,249	39,522
<b>Cash and cash equivalents at end of the year</b>	<b>16,235</b>	<b>41,249</b>

Note 1: Net cash outflow on acquisition of a subsidiary

	Unaudited
	31/03/2015
	S\$'000
Cash consideration paid	3,000
Less: cash and cash equivalents in subsidiary acquired	(189)
Net cash outflow on acquisition	2,811

**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	Treasury shares	Statutory reserve	Accumulated losses	Discount on purchase of NCI's shares	Foreign currency translation reserve	Equity attributable to owners of the Company	Non-controlling interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening Balance at 1 December 2013</b>	42,714	-	2,899	(5,656)	-	5,267	45,224	-	45,224
Profit for the year	-	-	-	2,523	-	-	2,523	(13)	2,510
Other comprehensive income: Reclassification of foreign currency translation reserves to profit or loss arising from disposal of subsidiaries	-	-	-	-	-	(5,267)	(5,267)	-	(5,267)
<b>Total comprehensive income for the period</b>	-	-	-	2,523	-	(5,267)	(2,744)	(13)	(2,757)
Transfer of statutory reserve to retained earnings on disposal of subsidiaries	-	-	(2,899)	2,899	-	-	-	-	-
Non controlling interest of acquired subsidiary	-	-	-	-	-	-	-	2,925	2,925
Purchase of treasury shares	-	(1,022)	-	-	-	-	(1,022)	-	(1,022)
Issuance of shares on Rights Issue	3,614	-	-	-	-	-	3,614	-	3,614
Discount on purchase of NCI's share	-	-	-	-	2,414	-	2,414	(2,414)	-
<b>Closing balance at 31 March 2015</b>	46,328	(1,022)	-	(234)	2,414	-	47,486	498	47,984
<b>Opening Balance at 1 December 2012</b>	42,714	-	2,899	(1,542)	-	4,853	48,924	-	48,924
Loss for the year	-	-	-	(4,114)	-	-	(4,114)	-	(4,114)
Other comprehensive income for the year	-	-	-	-	-	414	414	-	414
<b>Total comprehensive income for the year</b>	-	-	-	(4,114)	-	414	(3,700)	-	(3,700)
<b>Closing balance at 30 November 2013</b>	42,714	-	2,899	(5,656)	-	5,267	45,224	-	45,224

**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	Treasury shares	Accumulated losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening Balance at 1 December 2013</b>	<b>42,714</b>	-	<b>(8,613)</b>	<b>34,101</b>
Profit for the financial period	-	-	8,326	8,326
<b>Total comprehensive income for the period</b>	-	-	<b>8,326</b>	<b>8,326</b>
Purchase of treasury shares	-	(1,022)	-	(1,022)
Issuance of shares on Rights Issue	3,614	-	-	3,614
<b>Closing balance at 31 March 2015</b>	<b>46,328</b>	<b>(1,022)</b>	<b>(287)</b>	<b>45,019</b>
<b>Opening Balance at 1 December 2012</b>	<b>42,714</b>	-	<b>(7,196)</b>	<b>35,518</b>
Loss for the year	-	-	(1,417)	(1,417)
<b>Total comprehensive income for the year</b>	-	-	<b>(1,417)</b>	<b>(1,417)</b>
<b>Closing balance at 30 November 2013</b>	<b>42,714</b>	-	<b>(8,613)</b>	<b>34,101</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.**

The Company completed a rights issue on 24 March 2014 (the "Rights Issue") resulting in the issue of 56,566,243 new shares. As at 31 March 2015, the share capital net of expenses after the Rights Issue is S\$46,328,284 (FY2013: S\$42,713,501) comprising 670,120,238 (FY2013: 613,553,995) ordinary shares.

As at 31 March 2015, the Company has bought 16,939,400 (FY2013: NIL) shares and held them as treasury shares during the year.

**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.**

	31/3/2015	30/11/2013
Total number of issued ordinary shares excluding treasury shares	653,180,838	613,553,995

**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.**

There have been no sales, transfer, disposal, cancellation and/or use of treasury shares for the period reported on. Total number of treasury shares as at 31 March 2015 was 16,939,400 (FY2013: NIL).

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

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

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 used are consistent with those used in the most recently audited annual financial statements except for the adoption of the new or amended Financial Reporting Standards (FRS) and Interpretations to FRS (INT FRS) that are mandatory for financial years beginning on or after 1 December 2013.

**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.**

Please refer to item 4 above. The adoption of the new/revised FRSs and INT FRS had no material effect on the Group's accounting policies and had no significant impact on the Group's financial statements.

**6. (Earnings)/Losses 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.**

	Group	
	31/3/2015	30/11/2013
Earnings/(Losses) per ordinary share from continuing operations of the group, after deducting any provision for preference dividends (in SGD cents):		
(a) Based on weighted average number of ordinary shares on issue; and	0.60	(0.29)
Weighted average number of ordinary shares for basic earnings/(losses) per share computation	656,322,622	613,553,995
(b) Based on a fully diluted basis	0.60	(0.29)
Weighted average number of ordinary shares adjusted for the effect for dilution	656,322,622	613,553,995

**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.**

	Group		Company	
	31/3/2015	30/11/2013	31/3/2015	30/11/2013
Net asset value per ordinary share based on issued share capital at the end of the respective periods (in SGD cents):	7.27	7.37	6.90	5.56
No. of ordinary shares used in computing net asset value	653,180,838	613,553,995	653,180,838	613,553,995

**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 PERFORMANCE (16 MONTHS ENDED 31.3.15 ("FYE 31.3.2015") VS 12 MONTHS ENDED 30.11.13)**

On 14 March 2014, the Group divested its 100% stake in Unionmet Holdings Ltd ("UHL") and one of its subsidiaries, Guangxi Intai Technology Co., Ltd ("GIT"). On 2 January 2015, the Group further divested its stake in Liuzhou Union Zinc Industry Co. Ltd. ("LUZ"). Collectively, UHL, GIT and LUZ which constitutes the Group's manufacturing and trading of ferrous, non-ferrous and precious metals; and other minerals, represents the Discontinued Business.

On 24 October 2014, the Group completed the Sale and Purchase Agreement on the acquisition of Biofuel Research Pte Ltd ("Biofuel"). On completion, the Group held 51% of the issued and paid up capital of Biofuel. Subsequent to that, Biofuel had a rights issue in February 2015 at which the Group subscribed. As at 31 March 2015, the Group holds 93.1% in Biofuel and Biofuel is the main revenue contributor for the Group.

## **REVIEW OF PERFORMANCE (FYE 31.3.15 VS 12 MONTHS ENDED 30.11.13)**

### **Revenue**

Pursuant to the Extraordinary General Meeting held on 25 February 2015 and the subsequent disposal of the Group's mineral trading business, the Group had ceased its mineral trading business and instead focused its activities in its new businesses, namely, oil related, property investments and other investment holdings. For the FYE 31.3.2015, the main revenue contribution was from the Group's oil related business, in particular, the recycling and trading of biodiesel from Biofuel and from net gains from its investment activities.

### **Operating Expenses**

General and administrative expenses increased by 47.1% to approximately S\$2.73 million mainly due to the increase in activities in the Group's oil business, in particular from the Biofuel operations. Selling and distribution expenses also increased substantially to approximately S\$0.53 million which was mainly attributable to activities of Biofuel.

### **Profit After Tax**

As a result of the above, a profit after tax of approximately S\$3.9 million was recorded for FYE 31.3.2015 compared to a loss of approximately S\$1.78 million for the 12 months ended 30.11.13.

## **REVIEW OF FINANCIAL POSITION (FYE31.3.152015 VS FYE30.11.2013)**

### **Non-Current Assets**

Property, plant and equipment increased to S\$17.6 million (FYE30.11.2013: S\$1.5 million) mainly due to the Group's investments in its new businesses including the acquisition of Biofuel for its oil business and the first purchase of one emulsified oil treatment plant.

### **Current Assets**

Group cash decreased to S\$16.2 million (FYE 30.11.2013: S\$41.2 million) partly because of the investments in property, plant and equipment as explained above, investments in quoted securities and the Company's share buy-back exercise. The Group has invested in quoted shares of a SGX listed company, Huan Hsin Holding Limited which represents 16.2% of the investee as at FYE31.3.2015.

Development property relates to the acquisition of land for the Group's property development business, a property in 71 Blandford Drive ("**Blandford Property**")

Other receivables increased to S\$8.9 million (FYE 30.11.2013:S\$0.9 million) mainly due to the placement deposit made for two emulsified oil treatment plants.

Trade receivables decreased to S\$0.7 million (FYE 30.11.2013:S\$1.1 million) and Inventories decreased to S\$0.01 million (FYE 30.11.2013:S\$3.5 million) due to the disposal of the subsidiaries during the period.

### **Current Liabilities**

There was an increase in trade payables, other payables and bank loan resulting from the acquisition of Biofuel.

A short term bank loan was also obtained to finance the purchase of the Blandford Property.

## **Cash Flow (16 MONTHS ENDED 31.3.15 VS 12 MONTHS ENDED 30.11.13)**

The Group's cash and cash equivalents as at 31 March 2015 decreased to S\$16.2 million compared to S\$41.2 million as at 30 November 2013 due mainly to investments in fixed assets and the deposits made for two emulsified oil treatment plants.

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

The performance of the Group for the 16 months ended 31 March 2015 are in line with the Group's positive profit alert announcement on 21 May 2015.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group will continue actively to pursue opportunities to expand its business into the property development and oil blending and distribution.

**Oil-blending business**

The Group intends to continue to grow the oil businesses organically and through potential merger and acquisition of complementary companies in the value chain. Organic growth is expected from Biofuel after obtaining the temporary occupation permit for its new factory premise and also the improving oil prices. Growth is also expected from the commercialization of its emulsified fuel business. The Group however delayed its launch due to the depressed oil prices but expects that with the recovery of oil prices, look set to roll out the emulsified business.

The Group had on 30 April 2015 entered into a conditional share purchase agreement with Ms Joanna Loh Lai Chin and Mr Teng Choon Fong to acquire 980,000 ordinary shares representing 49% of the entire issued and paid-up share capital of SG Support Service Pte Ltd ("SGSS") from Ms Joanna Loh.

One of SGSS's core revenue streams is the collection and transportation of oil sludge. Having a strategic investment in SGSS, will enable the Group to obtain a more constant supply of waste oil for its waste oil treatment facility in Biofuel Research Pte Ltd (another of the Group's subsidiaries) and where the end product can be further used as feedstock for its oil blending business. This allows the Group to have better control on its raw material sourcing and costs. The proposed acquisition was completed on 11 May 2015.

**Property Development business**

The Blandford Property has obtained its design approval from URA in early April this year and the project is expected to be completed by the financial year ending 31 March 2016. The Group will continue to look for more strategic acquisitions into the Property sector.

The Group will also actively consider other investments in quoted securities for efficient use of its cash balance and potential investment gains.

**Winding Up Application Against Biofuel Research Pte Ltd**

The Group had on 22 May 2015 announced that a former director (the "Claimant") of the Company's subsidiary, Biofuel Research Pte Ltd ("Biofuel"), (who is also a shareholder of Biofuel and the former Managing Director) has filed a winding up application with the Singapore High Court (the "Court") against Biofuel (the "Application"). The Application relates to an claim arising from an alleged director's loan made by the Claimant to Biofuel before the Company became a shareholder of Biofuel. The total sum claimed against Biofuel pursuant to the Application is S\$1,367,700.50 (the "Claim"). Biofuel is opposing the Application as, *inter alia*, Biofuel disputes the Claim. In addition, on 20 May 2015, Biofuel commenced separate legal proceedings against the Claimant for various breaches of his duties whilst he was a director and the Managing Director of Biofuel.

**11. Dividend**

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

Any dividend declared for the current financial period reported on?

No dividend has been declared.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the financial period ended 31 March 2015.

**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 Company does not have any IPT mandate.

**14. Use of Proceeds from the Rights Issue.**

The Board refers to the following:

- (i) Net proceeds of S\$4.3 million raised from the rights issue in July 2009;
- (ii) Net proceeds of S\$3.6 million raised from the rights issue in March 2014.

The Group has used the net proceeds of S\$3.6 million raised from the rights issue in March 2014 for the property and oil businesses.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR ANNOUNCEMENT OF FULL YEAR RESULTS  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited financial statements, with comparative information for the preceding year.**

**(a) Analysis by business segments**

2015	Investment S\$'000	Property business S\$'000	Oil business S\$'000	Discontinued Operations S\$'000	Adjustments and eliminations S\$'000	Group Total S\$'000
<b>Revenue</b>						
-Sales to external customers	-	-	1,311	12,280	(12,280)	1,311
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>1,311</b>	<b>12,280</b>	<b>(12,280)</b>	<b>1,311</b>
Interest income	-	-	-	6	(6)	96
Depreciation of property, plant and equipment	-	-	(230)	(80)	80	(230)
Reversal of inventories	-	-	4	-	-	4
write down inventories	-	-	-	-	-	-
Fair value gain on quoted securities	5,942	-	-	-	-	5,942
Segment profit/(loss)	3,853	(13)	107	(1,437)	-	2,510
<b>Assets:</b>						
Segment assets	22,230	3,194	30,003	-	-	33,197
<b>Liabilities:</b>						
Segment liabilities	117	2,464	4,862	-	-	7,443
Capital expenditure on property, plant and equipment	-	-	6,173	-	-	6,173

(a) Analysis by business segments

2013	Investment	Property business S\$'000	Oil business S\$'000	Discontinued Operations S\$'000	Adjustments and eliminations S\$'000	Group Total S\$'000
<b>Revenue</b>						
-Sales to external customers	-	-	-	49,709	(49,709)	-
- unallocated	-	-	-	-	-	143
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,709</b>	<b>(49,709)</b>	<b>49,709</b>
Interest income	-	-	-	95	64	159
Depreciation of property, plant and equipment	-	-	-	(72)	174	(102)
Write-down of inventories, net	-	-	-	(285)	-	(285)
Segment loss	-	-	-	(2,336)	(1,778)	(4,114)
<b>Assets:</b>						
Segment assets	-	-	-	20,719	-	20,719
Unallocated assets	-	-	-	-	-	28,617
<b>Liabilities:</b>						
Segment liabilities	-	-	-	2,701	-	2,701
Unallocated liabilities	-	-	-	-	-	296
Capital expenditure on property, plant and equipment	-	-	-	1,737	-	1,737

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

As previously announced on the Group diversification of new businesses into Property and Oil blending, there is a change in the segment results compared to prior year. In prior year audited financial statements, the three main business activities have been disposed of and classified as discontinued operations in the current year. As the Group has just diversified into its new businesses, it is not meaningful to perform analysis of a breakdown of sales.

**17. A breakdown of sales.**

	16 months ended 30/3/2015 S\$'000	12 months ended 30/11/2013 S\$'000	% Increase/ (Decrease)
	Group	Group	Group
<b><u>Continued operations</u></b>			
(a) Sales reported for first half year	NIL	NIL	NA
(b) Operating profit/(loss) after tax before deducting minority interests reported for first half year	(933)	NIL	
(c) Sales reported for second half year	1,311	NIL	100.0
(d) Operating profit after tax before deducting minority interests reported for second half year	4,893	NIL	100.0

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

No dividends were declared or paid in the latest full year and the previous full year.

**19. 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.**

We confirm that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

**Li Hua**

**Executive Chairman/Chief Executive Officer**

29 May 2015  
Singapore