IEV HOLDINGS LIMITED

(Company Registration No: 201117734D)
(Incorporated in the Republic of Singapore on 26 July 2011)
(the "Company", and together with its subsidiaries, the "Group")

FULL YEAR UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER ("FY") 2016

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Advisors Private Limited (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**Exchange**"). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr Sebastian Jones, Director, at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone (65) 6221 5590. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.

1(a)(i) Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	3 months ended 31 December ("4Q")			12 months ended 31 December ("12M")		
	Unaudited 4Q2016 (RM'000)	Unaudited 4Q2015 (restated) (RM'000)	% change increase/ (decrease)	Unaudited 12M2016 (RM'000)	Audited 12M2015 (RM'000)	% change increase/ (decrease)
Revenue	59	24,637	(99.8)	370,254	111,703	231.5
Cost of sales	4,609	(19,405)	n.m.	(350,871)	(90,739)	286.7
Gross profit	4,668	5,232	(10.8)	19,383	20,964	(7.5)
Gross profit margin	n.m.	21.2%	-	5.2%	18.8%	-
Other operating income	465	1,106	(58.0)	1,075	6,202	(82.7)
Exchange (loss)/gain	(890)	(880)	1.1	(471)	11,446	n.m.
Administrative expenses	(5,909)	(5,401)	9.4	(21,849)	(21,858)	n.m.
Selling and distribution costs	(620)	(873)	(29.0)	(1,955)	(2,856)	(31.5)
Other operating expenses	(25,627)	(871)	n.m.	(26,374)	(689)	n.m.
Share of results of associates	(1,222)	(263)	364.6	(1,825)	(41)	n.m.
Finance costs	(192)	(153)	25.5	(885)	(1,066)	(17.0)
(Loss)/Profit before taxation	(29,327)	(2,103)	n.m.	(32,901)	12,102	n.m.
Taxation	(550)	1,237	n.m.	(814)	472	n.m.
(Loss)/Profit for the period	(29,877)	(866)	n.m.	(33,715)	12,574	n.m.
Other comprehensive income /(loss) after tax						
- Currency translation differences arising from consolidation	6,915	(435)	n.m.	3,209	8,016	(60.0)
-Actuarial gain in respect of defined benefit pension plan	254	371	(31.5)	254	371	(31.5)
Total comprehensive (loss)/income, net of tax	(22,708)	(930)	n.m.	(30,252)	20,961	n.m.
Total (loss)/profit attributable to:						
Owners of the parent	(29,830)	(823)	n.m.	(33,565)	12,660	n.m.
Non-controlling interests	(47)	(43)	9.3	(150)	(86)	74.4
	(29,877)	(866)	n.m.	(33,715)	12,574	n.m.
Total comprehensive (loss)/income attributable to:						
Owners of the parent	(22,688)	(935)	n.m.	(30,097)	20,767	n.m.
Non-controlling interests	(20)	5	n.m.	(155)	194	n.m.
	(22,708)	(930)	n.m.	(30,252)	20,961	n.m.

n.m. denotes not meaningful

Positive cost of sales of RM4.6 million in 4Q2016 due to reversal of over-accrued cost of sales made in 3Q2016.

1(a)(ii) (Loss)/profit before income tax is arrived after crediting / (charging) the following:

	Group					
	3 months ended 31 December			12 months ended 31 December		
	Unaudited 4Q2016 (RM'000)	Unaudited 4Q2015 (restated) (RM'000)	% change increase/ (decrease)	Unaudited 12M2016 (RM'000)	Audited 12M2015 (RM'000)	% change increase/ (decrease)
Rental income	107	94	13.8	383	383	0.0
Interest income	20	10	100.0	75	46	63.0
Interest expense	(192)	(153)	25.5	(885)	(1,066)	(17.0)
Gain/(loss) on disposal of	10	(27)	n.m.	151	44	243.2

property, plant and equipment						
Depreciation of property, plant and equipment (include depreciation accounted for in cost of sales)	(1,255)	(1,192)	5.2	(4,909)	(4,386)	11.9
Amortisation of intangible assets (include amortisation accounted for in cost of sales)	(167)	(160)	4.4	(646)	(568)	13.7
Provision for slow moving stock	(35)	(21)	66.6	(35)	(21)	66.6
Write back of slow moving stock	-	38	n.m.	-	38	n.m.
Impairment of intangible assets	(1,368)	-	n.m.	(1,368)	-	n.m.
Impairment of development properties	(19,357)	-	n.m.	(19,357)	-	n.m.
Allowance for doubtful receivables	(1,896)	(204)	829.4	(2,571)	(143)	n.m.
Write back of allowance for doubtful receivables	-	313	n.m.	-	313	n.m.
Property, plant and equipment written off	(2,307)	(119)	n.m.	(2,307)	(119)	n.m.
Intangible assets written off	-	(16)	n.m.	-	(72)	n.m.
Inventory written off	(39)	-	n.m.	(53)	-	n.m.
Other income arising from claims settled by a sub-contractor	-	-	-	-	4,632	n.m.
Prepaid leases	(62)	(63)	(1.6)	(62)	(63)	(1.6)
Over/(under) provision for tax in respect to prior year	38	(17)	n.m.	(214)	55	n.m.

n.m. denotes 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

	Company		**Group**	
	Unaudited As at 31 December 2016 (RM'000)	**Audited As at 31 December 2015 (RM'000)**	**Unaudited As at 31 December 2016 (RM'000)**	**Audited As at 31 December 2015 (RM'000)**
ASSETS				
Current				
Cash and bank balances	318	605	22,112	20,716
Trade receivables	-	-	57,717	57,695
Other receivables and prepayments	2,296	74,013	7,865	8,969
Inventories	-	-	4,903	4,514
Work-in-progress	-	-	10	57
	2,614	74,618	92,607	91,951
Non-current				
Property, plant and equipment	-	-	33,237	37,077
Intangible assets	-	-	4,375	6,300
Oil and gas properties	-	-	47,740	56,898
Subsidiaries	115,847	32,357	-	-
Associates	-	-	945	2,770
Other receivables and prepayments	-	-	8,793	8,304
Deferred tax assets	-	-	1,614	1,517
	115,847	32,357	96,704	112,866
Total assets	**118,461**	**106,975**	**189,311**	**204,817**

	Company		Group	
	Unaudited As at 31 December 2016 (RM'000)	Audited As at 31 December 2015 (RM'000)	Unaudited As at 31 December 2016 (RM'000)	Audited As at 31 December 2015 (RM'000)
LIABILITIES AND EQUITY				
Current				
Bank borrowings	-	-	2,812	400
Trade payables	-	-	64,292	53,252
Other payables	24,296	11,834	12,650	9,349
Finance lease	-	-	141	343
Income tax payables	-	-	365	90
	24,296	11,834	80,260	63,434
Non-current				
Bank borrowings	-	-	6,680	6,853
Finance lease	-	-	31	244
Deferred tax liabilities	-	-	289	142
Provision for post-employment benefit obligations	-	-	2,655	2,198
Advances from a third party	-	-	2,500	5,000
Provision for decommissioning	-	-	2,701	2,461
	-	-	14,856	16,898
Total liabilities	24,296	11,834	95,116	80,332
Capital and Reserves				
Share capital	97,691	97,691	97,691	97,691
Treasury shares	(38)	-	(38)	-
Currency translation reserve	1,767	-	9,117	5,903
Capital reserve	-	-	(101)	(101)
(Accumulated losses)/Retained earnings	(5,255)	(2,550)	(12,854)	20,457
Equity attributable to owners of the Company	94,165	95,141	93,815	123,950
Non-controlling interests	-	-	380	535
Total equity	94,165	95,141	94,195	124,485
Total liabilities and equity	**118,461**	**106,975**	**189,311**	**204,817**

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following at the end of the financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Group	Unaudited As at 31 December 2016 Secured (RM'000)	Audited As at 31 December 2015 Secured (RM'000)
Bank Loans	6,970	7,253
Bank overdraft	2,522	-
Total Bank Borrowings	**9,492**	**7,253**
Finance lease obligations	172	587
Total Borrowings & Debt Securities	**9,664**	**7,840**

Amount repayable in one year or less, or on demand	2,953	743
Amount repayable after one year	6,711	7,097

Details of collaterals

Details of collaterals of the above borrowings are as follows:-

The Bank loans are secured by:
- way of assignment to the bank, all rights, title and interest of the demised premises (which include the Group's property at Level 22, PJX-HM Shah Tower, No. 16A, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia pending the issuance of a separate document of title / strata title to the property and a legal charge under the National Land Code 1965); and
- a corporate guarantee provided by IEV Holdings Limited.

The bank overdraft is secured by:
- a debenture by way of a fixed and floating charge over all present and future assets of IEV Group Sdn Bhd;
- corporate guarantee provided by IEV Holdings Limited and IEV Group Sdn Bhd; and
- a personal guarantee provided by a director, Christopher Nghia Do.

The finance lease obligations from non-related parties are for the leasing of motor vehicles, computers and machinery and are secured by the underlying assets.

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

	Group 3 Months ended 31 December ("4Q")		Group 12 Months ended 31 December ("12M")	
	Unaudited 4Q2016 (RM'000)	**Unaudited (restated) 4Q2015 (RM'000)**	**Unaudited 12M2016 (RM'000)**	**Audited 12M2015 (RM'000)**
CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss)/profit before taxation	(29,327)	(2,103)	(32,901)	12,102
Adjustments for:				
Share of results of associates	1,222	263	1,825	41
Amortisation of intangible assets	167	160	646	568
Depreciation of property, plant and equipment	1,255	1,192	4,909	4,386
Provision for post-employment benefits	17	76	603	489
(Gain)/loss on disposal of property, plant and equipment	(10)	27	(151)	(44)
Property, plant and equipment written off	2,307	119	2,307	119
Intangible assets written off	-	16	-	72
Inventories written off	39	-	53	-
Impairment of intangible assets	1,368	-	1,368	-
Impairment of development properties	19,357	-	19,357	-
Provision for slow moving stock	35	21	35	21
Write back for slow moving stock	-	(38)	-	(38)
Allowance for doubtful receivables	1,896	204	2,571	143
Write back for doubtful receivables	-	(313)	-	(313)
Interest income	(20)	(10)	(75)	(46)
Interest expense	192	153	885	1,066
Operating (loss)/profit before working capital changes	(1,502)	(233)	1,432	18,566
Increase in long term other receivables and prepayment	(50)	(1,525)	(136)	(3,332)
Decrease/(increase) in inventories	604	(51)	(342)	1,673
Decrease in receivables	85,735	8,926	29,449	1,377
(Decrease)/increase in operating payables	(226,812)	(2,628)	14,325	(8,797)
Decrease/(increase) in amount due from associate	147,452	5,146	(30,230)	8,534
Cash generated from operating activities	5,427	9,635	14,498	18,021

	Group 3 Months ended 31 December (“4Q”)		Group 12 Months ended 31 December (“12M”)	
	Unaudited 4Q2016 (RM’000)	Unaudited (restated) 4Q2015 (RM’000)	Unaudited 12M2016 (RM’000)	Audited 12M2015 (RM’000)
Interest received	20	10	75	46
Interest paid	(192)	(153)	(885)	(1,066)
Post-employment benefit paid	-	(16)	(263)	(31)
Tax (paid)/refund	(65)	(1,550)	(630)	327
Net cash generated from operating activities	5,190	7,926	12,795	17,297
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of intangible assets	-	(249)	-	(486)
Acquisition of property, plant and equipment	(747)	(3,401)	(2,278)	(8,206)
Increase in oil and gas properties	1	(3,884)	(8,368)	(23,485)
Proceeds from disposal of property, plant and equipment	10	(19)	151	523
Investment in associate	-	(1,082)	-	(1,302)
Net cash used in investing activities	(736)	(8,635)	(10,495)	(32,956)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of finance lease	(168)	(1)	(422)	(242)
Bank borrowings repaid	(73)	(67)	(283)	(1,430)
(Repayment)/drawdown of bank overdraft	(6)	-	2,522	(2,670)
Repayment of advances from a third party	-	-	(2,500)	-
Increase in fixed deposits pledged	(144)	(578)	-	(69)
Dividend Paid	-	-	-	(1,020)
Purchase of treasury shares	-	-	(38)	-
Proceeds on issue of shares	-	-	-	18,061
Transaction cost on issue of shares	-	(13)	-	(418)
Net cash (used in)/ generated from financing activities	(391)	(659)	(721)	12,212
Net increase/(decrease) in cash and cash equivalents	4,063	(1,368)	1,579	(3,447)
Cash and cash equivalents at beginning of year	13,178	18,902	16,958	17,541
Currency translation difference of cash and cash equivalents at beginning of year	976	(576)	(320)	2,864
Cash and cash equivalents at end of year	18,217	16,958	18,217	16,958
Cash and cash equivalents comprise:				
Cash and bank balances	18,217	16,958	18,217	16,958
Fixed deposits	3,895	3,758	3,895	3,758
	22,112	20,716	22,112	20,716
Fixed deposits	(3,895)	(3,758)	(3,895)	(3,758)
Cash and cash equivalents at end of period	18,217	16,958	18,217	16,958

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 year

Company

Current Period	Share capital (RM’000)	Treasury shares (RM’000)	Accumulated losses (RM’000)	Currency translation reserve (RM’000)	Total (RM’000)
Balance as at 1 January 2016	97,691	-	(2,550)	-	95,141
Less: repurchase of treasury shares	-	(38)	-	-	(38)

Total comprehensive loss for the year	-	-	(2,705)	1,767	(938)
Balance as at 31 December 2016	97,691	(38)	(5,255)	1,767	94,165

Previous Period	**Share capital (RM'000)**	**Accumulated losses (RM'000)**	**Total (RM'000)**
Balance as at 1 January 2015	80,048	(12,884)	67,164
Add: Issuance of ordinary shares from Rights Issue	18,061	-	18,061
Less: Capitalised Rights Issue expenses	(418)	-	(418)
Less: Dividend payment	-	(1,020)	(1,020)
Total comprehensive income for the year	-	11,354	11,354
Balance as at 31 December 2015	97,691	(2,550)	95,141

Group

Current Period	**Share capital (RM'000)**	**Treasury shares (RM'000)**	**Retained profits (RM'000)**	**Capital reserves (RM'000)**	**Currency translation reserve (RM'000)**	**Equity attributable to owners of the Company (RM'000)**	**Non-controlling interests (RM'000)**	**Total equity (RM'000)**
Balance as at 1 January 2016	**97,691**	**-**	**20,457**	**(101)**	**5,903**	**123,950**	**535**	**124,485**
Less: Repurchase of treasury shares	-	(38)	-	-	-	(38)	-	(38)
Loss for the period	-	-	(33,565)	-	-	(33,565)	(150)	(33,715)
Other comprehensive income - Currency translation difference arising from consolidation	-	-	-	-	3,214	3,214	(5)	3,209
- Actuarial gains in respect of defined benefit pension plan	-	-	254	-	-	254	-	254
Balance as at 31 December 2016	**97,691**	**(38)**	**(12,854)**	**(101)**	**9,117**	**93,815**	**380**	**94,195**

Group

Previous Period	**Share capital (RM'000)**	**Retained profits (RM'000)**	**Capital reserves (RM'000)**	**Currency translation reserve (RM'000)**	**Equity attributable to owners of the Company (RM'000)**	**Non-controlling interests (RM'000)**	**Total equity (RM'000)**
Balance as at 1 January 2015 (restated)	**80,048**	**8,446**	**-**	**(1,833)**	**86,661**	**240**	**86,901**
Issuance of ordinary shares from Rights Issue	18,061	-	-	-	18,061	-	18,061
Less: Capitalised Rights Issue expenses	(418)	-	-	-	(418)	-	(418)
Dividend paid	-	(1,020)	-	-	(1,020)	-	(1,020)
Effects of changes in ownership interests in subsidiary	-	-	(101)	-	(101)	101	-
Profit for the period	-	12,660	-	-	12,660	(86)	12,574
Other comprehensive income - Currency translation difference arising from consolidation	-	-	-	7,736	7,736	280	8,016
- Actuarial gains in respect of defined benefit pension plan	-	371	-	-	371	-	371
Balance as at 31 December 2015	**97,691**	**20,457**	**(101)**	**5,903**	**123,950**	**535**	**124,485**

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

There were no changes in the Company's share capital since 30 September 2016 and up to 31 December 2016.
There were no outstanding convertibles or share options granted as at 31 December 2016 and 31 December 2015.

During the second quarter ended 30 June 2016 ("**2Q2016**"), the Company purchased 200,000 shares at a price of $0.063 per share from the open market and the shares are held as treasury shares. The Company had 200,000 shares held as treasury shares as at 31 December 2016. There were no treasury shares held or issued as at 31 December 2015.

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

	As at 31 December 2016	**As at 31 December 2015**
Number of issued shares of the Company	283,800,000	283,800,000
Share buy-backs held as treasury shares	(200,000)	-
Number of issued shares excluding treasury shares	283,600,000	283,800,000

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 were no sales, transfers, disposal, cancellation and /or use of treasury shares as at 31 December 2016.

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

The figures have not been audited or 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 Note 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited 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.

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016, where applicable. The adoption of these standards from the effective date is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for FY2016.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

<u>Group</u>	4Q2016 (Malaysian sen)	4Q2015 (Malaysian sen)	12M2016 (Malaysian sen)	12M2015 (Malaysian sen)
Earnings/(loss) per ordinary share for the period based on the net profit/(loss) attributable to shareholders of the Company: (i) Basic	(10.52)	(0.29)	(11.83)	5.11
(ii) On a fully diluted basis	(10.52)	(0.29)	(11.83)	5.11
Weighted average number of ordinary shares	283,600,000	283,800,000	283,691,803	247,847,958

Basic and diluted (loss)/earnings per ordinary share have been computed based on the Group's (loss)/earnings attributable to owners of the parent and the weighted average number of ordinary shares in issue during the respective periods.

The basic and fully diluted (loss)/earnings per ordinary share for each 4Q2016, 4Q2015, 12M2016 and 12M2015 were the same as there were no potentially dilutive ordinary shares existing during these periods.

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

	Net asset value per ordinary share (Malaysian sen)	
	As at 31 December 2016	As at 31 December 2015
Group	33.1	43.7
Company	33.2	33.5

Net asset value per ordinary share as at 31 December 2016 and 31 December 2015 have been calculated based on the aggregate number of ordinary shares of 283,600,000 and 283,800,000 shares as at the respective dates.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

<u>**Review of Statement of Comprehensive Income**</u>

Breakdown of Revenue, Gross Profit and Gross Profit Margin by business sectors

<u>**Three Months ended 31 December 2016**</u>

Business sector	4Q2016			4Q2015		
	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %	Revenue (RM'000)	Gross Profit/(Loss) (RM'000)	GP Margin %
<u>Renewable Energy Sector</u> Vietnam Biomass	823	(54)	n.m.	-	-	-
<u>Mobile Natural Gas Sector ("MNGS")</u>						

Mobile Natural Gas	8,579	120	1.4%	11,377	(2,088)	n.m.
Offshore Engineering Sector ("OES")						
Integrated Engineering Solutions	1,190	4,753	399.4%	6,470	6,449	99.7%
Turnkey projects	(10,533)	(151)	n.m.	6,790	871	12.8%
Total OES	(9,343)	4,602	n.m.	13,260	7,320	55.2%
Total	**59**	**4,668**	**n.m.**	**24,637**	**5,232**	**21.2%**

Twelve Months ended 31 December 2016

Business sector	**12M2016**			**12M2015**		
	Revenue (RM'000)	**Gross Profit/(Loss) (RM'000)**	**GP Margin %**	**Revenue (RM'000)**	**Gross Profit/(Loss) (RM'000)**	**GP Margin %**
Renewable Energy Sector						
Vietnam Biomass	1,358	(119)	n.m.	-	-	-
Mobile Natural Gas Sector						
Mobile Natural Gas	35,144	2,844	8.1%	41,945	(1,422)	n.m.
Offshore Engineering Sector						
Integrated Engineering Solutions	17,393	15,503	89.1%	36,464	18,994	52.1%
Turnkey projects	316,359	1,155	0.4%	33,294	3,392	10.2%
Total OES	333,752	16,658	5.0%	69,758	22,386	32.1%
Total	**370,254**	**19,383**	**5.2%**	**111,703**	**20,964**	**18.8%**

Revenue

The Group's revenue for 4Q2016 decreased by RM24.6 million or 99.8% to RM60k from RM24.6 million for 4Q2015. This was mainly due to the reversal of over-accrued revenue recorded for Malikai Tension Leg Platform Installation turnkey project which was completed in 3Q2016. The Mobile Natural Gas Sector ("MNGS") experienced a decline in revenue of RM2.8 million or 24.6% from RM11.4 million in 4Q2015 to RM8.6 million in 4Q2016 due to the expiry of several Gas Sales Agreements as one customer switched to pipeline supplied natural gas and another customer relocated its manufacturing operations to a different location. Integrated Engineering Solutions ("IES"), in line with a downturn in the upstream oil and gas industry, experienced a decline in revenue of RM5.3 million or 81.6% from RM6.5 million in 4Q2015 to RM1.2 million in 4Q2016. The Renewable Energy Sector ("RES") recorded revenue of RM0.8 million in 4Q2016 as IEV's first biomass manufacturing plant ("MK-1"), located in Vietnam, started operations in 2Q2016.

For 12M2016, total revenue for the Group increased by 231.5% to RM370.3 million from RM111.7 million in 12M2015. This substantial increase was due to the completion of the Malikai turnkey project and was offset by reduced revenue contribution from MNGS and IES, for the reasons described above. RES recorded revenue of RM1.4 million for 12M2016.

Gross Profit

The Group's gross profit for 4Q2016 decreased by 10.8% to RM4.7 million from RM5.2 million in 4Q2015. MNGS returned to a gross profit position of RM0.1 million for 4Q2016 after a gross loss of RM2.1 million for 4Q2015 that resulted from a road access dispute to its EJ1 CNG mother station in East Java, Indonesia, which resulted in the need to purchase CNG at a higher cost from alternative suppliers and the incurrence of higher transportation expenses for the CNG. OES experienced a decline in its gross profit position to RM4.6 million for 4Q2016 from RM7.3 million for 4Q2015, which is attributed to a slowdown in the upstream oil and gas industry and the reversal of over-accrued revenue and cost of sales from the Malikai turnkey project.

The Group's gross profit for 12M2016 decreased by 7.5% to RM19.4 million from RM21.0 million in 12M2015. The decline in gross profit is attributable to (i) a reduction of IES business activities from the upstream oil and gas industry, which contributes the highest gross profit margin to the Group; and (ii) low profit margins from the Malikai turnkey project; which were partially offset by a turnaround in MNGS gross profit of RM2.8 million for 12M2016 from a gross loss of RM1.4 million for 12M2015. The biomass plant in Vietnam recorded a gross loss RM0.1 million for 12M2016 as it continues to focus on improving its operating protocols.

The Group's gross profit margin for 12M2016 declined to 5.2% from 18.8% in 12M2015. This decline is primarily due to the low margin of turnkey revenue for the Malikai turnkey project (as the project installation risk was undertaken by IEV project partner, Heerema Marine Contractors). The low gross profit margin from the Malikai turnkey project largely offset the gross profit margin of 89.1% for IES and 8.1% for MNGS from 12M2016.

Other Operating Income

Other operating income amounted to RM0.5 million for 4Q2016 as compared to RM1.1 million for 4Q2015. During 4Q2016 there was an insurance settlement for a written-off prime mover for compressed natural gas transportation, which was involved in a road accident. In comparison, 4Q2015 recorded a reversal in allowance for doubtful receivables and reversal of long outstanding payables.

For 12M2016 other operating income amounted to RM1.1 million compared to RM6.2 million for 12M2015. Other operating income for 12M2016, in addition to an insurance settlement, was mainly from rental income and gain on disposal of property, plant & equipment. In comparison, other operating income for 12M2015 was mainly from the global settlement reached with Allison Marine Contractors II LLC in full and final settlement of all claims in relation to the D21 turnkey project.

Exchange (Loss)/Gain

The Group recorded exchange losses of RM0.9 million for both 4Q2016 and 4Q2015. The exchange losses for both 4Q2016 and 4Q2015 periods were mainly attributable to the depreciation of the Malaysian Ringgit against the Indonesian Rupiah and US Dollar.

For 12M2016, the Group recorded an exchange loss of RM0.5 million as compared to an exchange gain of RM11.4 million for 12M2015. The exchange gain for 12M2015 was mainly due to the significant strengthening of the US dollar against the Malaysian Ringgit and that a significant portion of the Company's advances to its subsidiaries was denominated in US dollars.

Administrative Expenses

Administrative expenses for 4Q2016 increased by RM0.5 million or 9.4% to RM5.9 million from RM5.4 million for 4Q2015. The increase in administrative expenses is mainly attributed to consulting cost for the negotiation of revised terms to a Gas Offtake Agreement for the Mobile Natural Gas Sector. Administrative expenses for 12M2016 have marginally decreased to RM21.8 million from RM21.9 million for 12M2015. The benefits of the cost reduction measures undertaken by the Group had been offset by (i) the commencement of commercial operations of the Biomass plant in Vietnam; (ii) consulting cost for a MNGS Gas Offtake Agreement; and (iii) business feasibility studies conducted for new markets under MNGS. Depreciation expenses in 4Q2016 increased marginally to RM1.3 million from RM1.2 million in 4Q2015. For 12M2016, depreciation expenses increased by RM0.5 million or 11.9% to RM4.9 million from RM4.4 million for 12M2015. This was mainly due to commencement of commercial operations of the Biomass plant in Vietnam. Amortisation of intangible assets for 4Q2016 has marginally increased to RM0.17 million from RM0.16 million for 4Q2015, whilst for 12M2016 increased by 14.0% to RM0.65 million from RM0.57 million in 12M2015. This increase in amortisation is mainly due to the acquisition of licensing rights to Oxifree corrosion control technology and that intangible assets are mainly denominated in US Dollars, which has strengthened against the Malaysia Ringgit.

Selling and Distribution Costs

Selling and distribution costs relate to commissions payable to agents for sales secured on behalf of the Group. Selling and distribution costs for 4Q2016 decreased to RM0.6 million from RM0.9 million in 4Q2015, whilst for 12M2016 decreased to RM2.0 million from RM2.9 million in 12M2015. This decrease was mainly attributable to lower commission-based sale of products and services in the upstream oil and gas industry.

Other Operating Expenses

Other operating expenses for 4Q2016 increased to RM25.6 million from RM0.9 million for 4Q2015, whilst for 12M2016 increased to RM26.4 million from RM0.7 million for 12M2015. This was mainly due to (i) impairment to Pabuaran KSO development properties and intangible assets of RM20.7 million arising from prevailing and forecasted oil prices; (ii) allowance for doubtful debts of RM2.6 million in 12M2016 arising mainly from OES operating receivables; (iii) write-off of property, plant and equipment of RM2.3 million due to the closure of MNGS EJ1 CNG mother station and cancellation of mobile natural gas projects in Indonesia; and (iv) oil field expenses of RM0.5 million for Pabuaran KSO incurred during well testing operations.

Share of Results of Associates

Share of results of associates was a loss of RM1.2 million for 4Q2016 and a loss of RM1.8 million for 12M2016. In comparison, share of results of associates was a loss of RM0.3 million for 4Q2015 and a loss of RM40k for 12M2015. The increase in the loss position was mainly due to (i) higher losses recorded by the OES associate for 4Q2016 and 12M2016 in line with a downturn in the upstream oil and gas business; and (ii) a delayed commissioning and certification phase for the CNG mother station in the East Cost of Peninsular Malaysia, undertaken by Gas Malaysia IEV Sdn Bhd.

Finance Costs

Finance cost for 4Q2016 was marginally higher at RM0.19 million compared to RM0.15 million for 4Q2015. The lower finance cost for 4Q2015 was due to a RM50 thousand late payment interest charged by a trade vendor during 9M2015 and was ultimately waived by the said trade vendor in 4Q2015. Finance costs for 12M2016 decreased to RM0.9 million from RM1.1 million for 12M2015, which was in line with a gradual reduction of the Group's interest servicing commitment.

Profit/ Loss Before Taxation

The Group reported a loss before taxation of RM29.3 million for 4Q2016, compared to a loss before taxation of RM2.1 million for 4Q2015. This was mainly due to other operating expenses of RM25.6 million and share of associated companies' results of a loss of RM1.2 million for 4Q2016 as described above.

For 12M2016, the Group reported a loss before taxation of RM32.9 million compared to a profit before taxation of RM12.1 million for 12M2015. The loss position was mainly due to: (i) RM20.7 million asset impairment to Pabuaran KSO development properties; (ii) allowance for doubtful debts of RM2.6 million; (iii) asset write-off of RM2.3 million in relation to a MNGS mother station closure and cancellation of mobile natural gas projects; (iv) share of loss from associated companies' results of RM1.8 million; and (v) reduced gross profits from OES.

Review of Statement of Financial Position

Current Assets

Trade receivables remained largely the same at RM57.7 million as at 31 December 2016 and 31 December 2015.

Other receivables and prepayments decreased by RM1.1 million to RM7.9 million as at 31 December 2016 from RM9.0 million as at 31 December 2015. This was mainly due to a reduction in project related advances and prepaid operating expenses as various projects have reached billing milestones by 31 December 2016.

Inventories increased by RM0.4 million from RM4.5 million as at 31 December 2015 to RM4.9 million as at 31 December 2016. The increase was mainly due to an increase in stocks for the assembly of marine growth control products and the accumulation of rice husk briquette inventory during the operational ramp of the biomass plant in Vietnam.

Non-Current Assets

Net book value of property, plant and equipment decreased by RM3.9 million to RM33.2 million as at 31 December 2016 from RM37.1 million as at 31 December 2015. The decrease mainly due to (i) depreciation charge of RM4.9 million for 12M2016; and (ii) write-off of RM2.3 million for the closure of EJ1 mother station in East Java and cancellation of MNGS development projects. The aforementioned were partially offset by (i) capital expenditure for the biomass plant in Vietnam; and (ii) additional works on EJ2 CNG mother station in East Java.

Net book value of intangible assets decreased to RM4.4 million as at 31 December 2016 from RM6.3 million as at 31 December 2015, due to:- (i) impairment on Pabuaran KSO related intangible assets of RM1.4 million; and (ii) amortisation and currency translation differences for US Dollar denominated intangible assets.

Oil and gas properties decreased by RM9.2 million to RM47.7 million as at 31 December 2016, from RM56.9 million as at 31 December 2015. This was due to an impairment provision of RM19.4 million taking into consideration the prevailing and forecast oil prices; which was partially offset by continuing workover capital expenditure of RM10.1 million undertaken during 12M2016 on the twin wells at the KSO project.

Associates decreased by RM1.8 million to RM1.0 million as at 31 December 2016 from RM2.8 million as at 31 December 2015. This decrease reflect (i) an operational loss experienced by an OES associate in line with a slowdown in the upstream oil and gas industry and (ii) a prolonged commissioning and certification phase for the CNG mother station in the East Cost of Peninsular Malaysia, undertaken by Gas Malaysia IEV Sdn Bhd.

Capital and Reserves

Currency translation reserves increased to RM9.1 million as at 31 December 2016 from RM5.9 million as at 31 December 2015 mainly due to the strengthening US Dollar against the Malaysian Ringgit during 12M2016.

Retained profits (excluding non-controlling interests) of RM20.5 million as at 31 December 2015 has turned into accumulated losses of RM12.9 million as at 31 December 2016, due to the Group's RM33.7 million loss for 12M2016.

Liabilities

Bank borrowings (current and non-current portions) increased by RM2.2 million to RM9.5 million as at 31 December 2016 from RM7.3 million as at 31 December 2015 due to a recent overdraft drawdown and partially offset by scheduled repayment of loan facilities. Advances from a third party reduced to RM2.5 million as at 31 December 2016 from RM5.0 million as at 31 December 2015 due to a partial repayment of the advances.

Trade payables increased by RM11.0 million to RM64.3 million as at 31 December 2016 from RM53.3 million as at 31 December 2015, mainly due to installation works for the Malikai turnkey project.

Other payables increased by RM3.4 million to RM12.7 million as at 31 December 2016 from RM9.3 million as at 31 December 2015, mainly due to increase in accruals and amounts owing to sub-contractors in relation to well workover activities at the Pabuaran KSO in Jawa, Indonesia

The Group has a positive working capital of RM12.3 million as at 31 December 2016 as compared to RM28.5 million as at 31 December 2015.

Review of Statement of Cash Flows

For 4Q2016 the Group generated cash from operating activities of RM5.4 million. This was mainly generated from: (i) decrease in amount due from associate of RM147.5 million; (ii) decrease in operating receivables of RM85.7 million; which were offset by (iii) decrease in operating payables of RM226.8 million; and (iv) operating loss before working capital changes of RM1.5 million. Net cash used in investing activities of RM0.7 million during 4Q2016 was due to the acquisition of property, plant and equipment. Net cash used in financial activities of RM0.4 million during 4Q2016 was for the repayment of bank borrowings and finance leases and for the pledging of fixed deposits.

For 12M2016 the Group generated cash from operating activities of RM14.5 million. This was mainly generated from: (i) operating profit before working capital changes of RM1.4 million; (ii) decrease in operating receivables of RM29.4 million; (iii) Increase in operating payables of RM14.3 million; and were offset by (iv) an increase in amount due from an associate of RM30.2 million. Changes in items (ii), (iii) and (iv) were due mainly to the Malikai turnkey project which had completed the installation phase of the project. Net cash used in investing activities of RM10.5 million during 12M2016 was due to: (i) an increase in oil and gas properties of RM8.4 million and (ii) the purchase of property, plant and equipment of RM2.3 million. Net cash used in financing activities of RM0.7 million during 12M2016 was mainly for the repayment of RM2.5 million for an advance from a third party and repayment of bank facilities and finance leases, which were partially offset by a RM2.5 million drawdown of a bank overdraft.

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

The Group's results were in line with the profit guidance announcement made on 7 February 2017.

10. A commentary at the date of the announcement of the significant trend 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 agreement between OPEC and certain non-OPEC members to reduce oil production has brought some respite to the oil price decline. As of January 2017, OPEC has achieved 90% of its collective target cut of 1.2 million barrels a day while eleven non-OPEC nations - led by Russia and Mexico - achieved 48% of its pledge to cut production by an additional 558,000 barrels a day. As a result, the oil price has recovered slightly and has been trading close to USD 55 per barrel since December 2016[1].

Despite the slight recovery in the oil price, it is still approximately 50% below the levels seen in mid-2014. This prolonged depression of pricing has led to major impairment of assets by a large number of oil and gas companies as well as suppliers and vendors. Cost reduction is still a major corporate KPI for most oil and gas companies and, as a consequence, the pipeline of new field developments is largely dry. It will likely take several years before any significant growth in offshore construction activities can be expected.

The Group is cautious in making any major capital investment into the oil and gas industry and continues to focus on its strategy to offer disruptive technologies to challenge conventional engineering practices and drive costs down for its clients.

Beyond the oil and gas industry and as part of the Group's diversification plans, the Group is in the final stage of completing its feasibility study on the production of advanced materials from rice husk. As more than 90% of global rice production comes from Asia[2], this agricultural waste represents an abundant and valuable renewable resource to produce high value-added materials, if the right technologies are employed. Further announcements shall be made as and when appropriate.

Offshore Engineering Sector ("OES")

The Group is making good progress in the implementation of its business strategy to offer disruptive technologies to create value for its clients by lowering production and operating costs.

The strike rate for the MGP-i globalization is more than 50% and a host of pilot projects are underway globally. However, it is necessary to go through a gestation period of market development and, in some cases, proof of concept before commercial awards are materialized. The Group has successfully tested its typhoon-proof product design in February 2017 and the new generation of product, the MGP-*i*, is now ready to be launched in all sea conditions throughout the world. A series of patents for new product design is expected to be issued, following those already granted from the USA The MGP-i solution represents one of the lowest cost structural integrity management solutions

[1] (Bloomberg L.P., 2017)
[2] (www.ricepedia.org)

available in the world to date, and its applications will add life and strength to new and existing offshore facilities, whilst reducing inspection and marine growth management costs.

Market penetration from other disruptive technologies such as the Vertical Tension Anode for retrofit of cathodic protection on ageing offshore structures, Oxifree thermoplastic coating for corrosion protection of flanges and valves, and Magnetometry Tomography Method for non-intrusive stress measurements of piggable and non-piggable pipelines is encouraging and updates on these technologies will be announced as and when there are material developments.

The Group is building its network of global agents and distributors in order to access the world market of over 10,000 offshore platforms as well as the large number of downstream and midstream facilities. The size of the distribution network will be updated in future announcements.

Following the success of the Malikai Tension Leg Platform turnkey project, the Group has recently executed an exclusive MOU on 2 February 2017 with Heerema Marine Contractors for the provision of offshore transportation and installation opportunities in Malaysian waters. Further announcements will be made as and when there are material developments.

Mobile Natural Gas Sector ("MNGS")

The Indonesian manufacturing market is relatively weak due to current economic conditions. As such, the demand for compressed natural gas ("**CNG**") remains low. To counter its effect, the management of PT. IEV Gas ("**PTIG**") has successfully reduced its gas off-take commitments and implemented a number of cost reduction initiatives ("CRIs") in 2H2016 to overcome the challenges of low CNG sales volumes and margin pressure. The outcome of these initiatives will result in significant cost savings for the Group in 2017.

Meanwhile, in the land dispute case related to EJ-1, the appeal case is currently being heard in the District Court of Bekasi.

The CNG Mother Station for the virtual pipeline on the East Coast of Malaysia has commenced operation in January 2017 after receiving the Certificate of Completion and Compliance ("**CCC**"). With this approval, Gas Malaysia IEV Sdn Bhd will commence delivering CNG to all its east coast supply chain customers in 2017. The feasibility study for the second mobile natural gas supply chain in west Peninsula Malaysia has concluded that this supply chain project is not feasible since large natural gas consuming customers have access to cheaper priced pipeline natural gas.

On the Tamil Nadu LNG project, the Group and Timah Langat-Emrail Consortium is in the midst of finalising the site location of the LNG terminal, funding options with financial institutions and strategic partners. This process will be completed in 120-180 days.

Exploration and Production Sector ("EPS")

Following the 2-month production trial, the Group is now considering various technical options to optimize the handling of scale and wax issues in order to achieve sustainable crude oil production from CLS1-TW well. This will also involve a change in well completion string. An additional zone in CLS-1TW, which correlates with a hydrocarbon bearing zone from a newly drilled well in the vicinity of Pabuaran Block by Pertamina, has also been identified and is being considered for perforation and testing during the next workover campaign.

A limited 3D seismic project is also under consideration to accurately determine the updip location of the hydrocarbon-bearing interval in Upper Cibulakan formation as well as to evaluate the resource level at the Talang Akang formation. This will be followed by the side tracking and possibly deepening of CLS-1TW to increase the production volume from this well drilled in 2015 in Cilamaya Selatan.

The Group continues to look for strategic investors to farm-out the KSO block due to the capital-intensive investment nature of exploration and production.

Renewable Energy Sector ("RES")

The Group expects to face challenges associated with the decline in the supply of rice husks in the Mekong Delta in 2017 due to heavy rains in January and February 2017 that adversely affected the winter-spring harvest season. In addition, there has been a reduction in import of rice from Cambodia due to the growing number of rice mills in Cambodia lowering the output of rice mills in the Mekong Delta.

The tightening of supply is expected to affect the price of husks, the raw materials for the manufacturing of briquettes. The sector is under a lot of pressure as energy prices continue to adversely impact the price of all types of energy products, including briquettes from Vietnam, which now have to compete with coal imports from Indonesia.

The Group continues to explore the production of silica and nano-silica from its plant MK-1 in Thot Not, as part of its strategy to develop the Advanced Materials business involving nano-silica and its derivatives. The Group is in the final stages of producing a feasibility study in this regard and further announcements will be made as and when there are material developments.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)
No.

(b) Previous corresponding period/rate %
Yes. An interim dividend had been declared in the quarter ended 30 June 2015.

Name of dividend	First Interim
Dividend type	Cash
Dividend amount per ordinary share	0.36 Malaysian sen
Tax rate	Tax Exempted (1-tier)
Date paid	30 September 2015
Book closure date	18 September 2015

12. If no dividend has been declared (recommended), a statement to that effect
There is no interim dividend recommended and declared by the Directors in respect of the current financial period ended 31 December 2016.

13. 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

(a) Business Segment

	Offshore Engineering		**Mobile Natural Gas**		**Exploration & Production**		**Renewable Energy**		**Combined**	
	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000
REVENUE										
Total sales	341,887	85,866	35,387	41,946		-	1,358	-	378,632	127,812
Inter-segment sales	(8,135)	(16,109)	(243)	-		-	-	-	(8,378)	(16,109)
External sales	333,752	69,757	35,144	41,946		-	1,358	-	370,254	111,703
RESULTS										
Segment results	(1,409)	23,709	(3,458)	(7,022)	(24,002)	(2,994)	(1,322)	(484)	(30,191)	13,209
Finance costs	(836)	(980)	(49)	(86)	-	-	-	-	(885)	(1,066)
	(2,245)	22,729	(3,507)	(7,108)	(24,002)	(2,994)	(1,322)	(484)	(31,076)	12,143
Share of results of associates	(996)	67	(829)	(108)	-	-	-	-	(1,825)	(41)
Profit Before Tax		-		-		-		-	(32,901)	12,102
Taxation		-		-		-		-	(814)	472
Non-controlling interests		-		-		-		-	150	86

	Offshore Engineering		Mobile Natural Gas		Exploration & Production		Renewable Energy		Combined	
	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000	FY2016 RM'000	FY2015 RM'000
Total profit attributable to owners of the parent		-		-		-		-	(33,565)	12,660
OTHER INFORMATION										
Segment assets	91,319	93,458	23,278	25,530	55,548	65,748	8,345	8,225	178,490	192,961
Investment in associates	580	1,576	365	1,194	-	-	-	-	945	2,770
Combined total assets (excluding taxation)	91,899	95,034	23,643	26,724	55,548	65,748	8,345	8,225	179,435	195,731
Unallocated assets									9,876	9,086
Consolidated total assets									189,311	204,817
Segment liabilities (excluding taxation)	75,936	62,541	5,105	7,589	12,672	9,487	172	93	93,885	79,710
Unallocated liabilities									1,231	621
Consolidated total liabilities									95,116	80,332
Capital expenditure										
- intangible assets	-	485	-	-	-	-	-	-	-	485
- property, plant and equipment	787	896	611	2,875	7	18	873	4,417	2,278	8,206
Amortisation of intangible assets	205	153	27	25	414	390	-	-	646	568
Depreciation of property, plant and equipment	1,990	1,867	2,368	2,239	79	142	472	138	4,909	4,386
Impairment on oil & gas properties	-	-	-	-	20,725	-	-	-	20,725	-

(b) Geographical Segment

The following table shows the distribution of the Group's combined sales based on geographical location of customers.

	FY2016 RM'000	**FY2015 RM'000**
Malaysia	320,565	41,745
Indonesia	36,709	43,558
Singapore	5,401	-
India	4,298	9,160
Vietnam	1,358	1,256
Portugal	1,161	-
China	165	2,543
Thailand	12	1,118
Argentina	-	8,555
Oman	-	1,875
Others	585	1,893
Total	**370,254**	**111,703**

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments

Please refer to Note 8 above.

15. A breakdown of sales

	Group		
	FY2016 RM'000	FY2015 RM'000 (Restate)	% change increase/ (decrease)
(a) Sales reported for first half year	148,350	55,745	166%
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	(3,466)	8,349	Not meaningful
(c) Sales reported for second half year	221,904	55,958	297%
(d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	(30,249)	4,225	Not meaningful

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

Company	FY2016 SGD	FY2015 SGD
(a) Ordinary	-	334,884
(b) Preference	-	-
(c) Total	-	334,884

17. If the Group has obtained a general mandate from shareholders for IPTs, 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 does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited the ("Catalist Rules"). There were no IPTs entered into during the financial period reported on which exceeds S$100,000 in value.

18. Use of Proceeds from the Rights Issue

Pursuant to Rule 1204(5)(f) of the Catalist Rules, the Board of Directors wishes to provide an update on the use of the proceeds arising from the allotment and issue of 94.6 million new ordinary shares at an issue price of S$0.07 per share in the capital of the Company through a Rights Issue Exercise (the "**Rights Issue**"), which was completed in June 2015. The net proceeds of approximately S$6.47 million (after deducting expenses of approximately S$0.15 million incurred by the Company in connection with the Rights Issue) have been utilised as follows:

Use of Proceeds	Amount allocated (as announced on 8 May 2015) (S$'000)	Amount utilised as at the date of this announcement (S$'000)	Balance of net proceeds as at the date of this announcement (S$'000)
(i) To fund the Pabuaran KSO Project	4,400	4,400	-
(ii) Construction of Vietnam biomass plant	1,500	1,500	-
(iii) CNG Supply Chain in Malaysia	500	438	62
(iv) General Working Capital	70	70	-
Net proceeds from the Placement	6,470	6,408	62

The Company will make periodic announcements on the use of net proceeds from the Rights Issue as and when such funds are materially disbursed.

19. 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 all the required undertakings under the Rule 720(1) of the Catalist Rules have been obtained from its Directors and Executive Officers in the format set out in Appendix 7H of the Catalist Rules.

20. 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 (10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

The Company confirms that there is no person occupying a managerial position in the Company and its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company pursuant to Rule 704(10) of the Catalist Rules.

ON BEHALF OF THE BOARD OF DIRECTORS

CHRISTOPHER NGHIA DO PRESIDENT & CEO	HARRY NG LEAD INDEPENDENT DIRECTOR

Date: 24 February 2017