



**UNAUDITED FINANCIAL STATEMENTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1a An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

<u>Group</u>	<b>Three Months ended 30 Sep 2015 US\$'000</b>	<b>Three Months ended 30 Sep 2014 US\$'000</b>	<b>Increase /(Decrease) %</b>	<b>Nine Months ended 30 Sep 2015 US\$'000</b>	<b>Nine Months ended 30 Sep 2014 US\$'000</b>	<b>Increase /(Decrease) %</b>
Revenue	162,296	93,565	73%	188,475	291,913	(35%)
Cost of Sales	(147,134)	(91,681)	60%	(172,704)	(288,734)	(40%)
<b>Gross Profit</b>	<b>15,162</b>	<b>1,884</b>	<b>705%</b>	<b>15,771</b>	<b>3,179</b>	<b>396%</b>
Other Operating Income	90	9	900%	137	10	1,270%
Administrative Expenses	(1,071)	(1,013)	6%	(3,351)	(2,618)	28%
Other Operating Expenses	(8)	-	N.M	(32)	(2)	1,500%
Finance Expenses	(59)	(9)	555%	(75)	(107)	(30%)
<b>Profit Before Income Tax</b>	<b>14,114</b>	<b>871</b>	<b>1,520%</b>	<b>12,450</b>	<b>462</b>	<b>2,595%</b>
Income Tax Expense	(2,140)	(210)	919%	(2,140)	(210)	919%
<b>Profit for the Period</b>	<b>11,974</b>	<b>661</b>	<b>1,711%</b>	<b>10,310</b>	<b>252</b>	<b>3,991%</b>
<b>Total Comprehensive Income for the Period</b>	<b>11,974</b>	<b>661</b>	<b>1,711%</b>	<b>10,310</b>	<b>252</b>	<b>3,991%</b>

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

<b>Group</b>	<b>Three Months ended 30 Sep 2015 US\$'000</b>	<b>Three Months ended 30 Sep 2014 US\$'000</b>	<b>Increase /(Decrease) %</b>	<b>Nine Months ended 30 Sep 2015 US\$'000</b>	<b>Nine Months ended 30 Sep 2014 US\$'000</b>	<b>Increase /(Decrease) %</b>
<b>Other Operating Income</b>						
Government Credit	1	-	N.M	7	3	133%
Interest Income	1	-	N.M	1	2	(50%)
Foreign Currency Exchange Gain	89	9	889%	129	3	4200%
<b>Other Operating Expenses</b>						
Write Off of Plant and Equipment	-	-	-	24	-	N.M
<b>Administrative Expenses</b>						
Depreciation and Amortisation	35	21	67%	79	62	27%
Key Management Personnel Compensation	291	269	8%	847	820	3%
Directors' Fees	54	61	(11%)	165	179	(8%)
Professional Fees	48	268	(82%)	117	472	(75%)
Rental Expenses	156	156	-	480	463	4%
Staff Costs (including Key Management Personnel Compensation)	520	351	48%	1,516	996	52%
Compensation cost	-	-	-	418	-	N.M
<b>Finance Expenses</b>	59	9	555%	75	107	(30%)

N.M : Not Meaningful

**1b(i) A balance sheet (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year**

	<u>Group</u>		<u>Company</u>	
	30 Sep 2015 US\$'000	31 Dec 2014 US\$'000	30 Sep 2015 US\$'000	31 Dec 2014 US\$'000
<b><u>ASSETS</u></b>				
<b>Non-current Assets:</b>				
Plant and Equipment	345	146	-	-
Intangible Assets	1	1	1	1
Investments in Subsidiaries	-	-	160	160
<b>Total Non-current Assets</b>	<b>346</b>	<b>147</b>	<b>161</b>	<b>161</b>
<b>Current Assets:</b>				
Trade Receivables	187,050	31,360	-	-
Derivative Financial Assets	13,754	-	-	-
Other Receivables	411	233	39	21
Amount due from Subsidiaries	-	-	142,787	140
Cash and Cash Equivalents	67,453	2,594	33,573	320
<b>Total Current Assets</b>	<b>268,668</b>	<b>34,187</b>	<b>176,399</b>	<b>481</b>
<b>Total Assets</b>	<b>269,014</b>	<b>34,334</b>	<b>176,560</b>	<b>642</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Equity</b>				
Share Capital	545	454	545	454
Share Premium	196,308	18,116	196,308	18,116
Accumulated Losses	(6,936)	(17,246)	(21,696)	(21,248)
<b>Total Equity</b>	<b>189,917</b>	<b>1,324</b>	<b>175,157</b>	<b>(2,678)</b>
<b>Non-current Liabilities</b>				
Provision	140	29	-	-
<b>Total Non-current Liabilities</b>	<b>140</b>	<b>29</b>	<b>-</b>	<b>-</b>
<b>Current Liabilities</b>				
Trade Payables	62,011	16,864	-	-
Derivative Financial Liabilities	580	-	-	-
Other Payables	169	196	68	95
Amount due to Holding Company	13,859	15,575	1,335	2,379
Amount due to a Subsidiary	-	-	-	846
Income Tax Payable	2,338	346	-	-
<b>Total Current Liabilities</b>	<b>78,957</b>	<b>32,981</b>	<b>1,403</b>	<b>3,320</b>
<b>Total Liabilities</b>	<b>79,097</b>	<b>33,010</b>	<b>1,403</b>	<b>3,320</b>
<b>Total Liabilities and Equity</b>	<b>269,014</b>	<b>34,334</b>	<b>176,560</b>	<b>642</b>

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

	<u>Unsecured</u>		<u>Secured</u>	
	30 Sep 2015 US\$'000	31 Dec 2014 US\$'000	30 Sep 2015 US\$'000	31 Dec 2014 US\$'000
Amount payable in one year or less or on demand	13,859	15,575	-	-
Amount payable after one year	-	-	-	-

The Company's controlling shareholder, Singapore Petrochemical & Energy Development Pte. Ltd., continues to extend financial support by providing interest-free loans. As at the end of the third quarter of FY2015 ("3Q2015") the aggregate loan balance was approximately US\$13.9 million. The financial support was meant to assist the Group in its oil and petrochemical trading businesses expansion and to meet its liabilities as and when they fall due. Upon the recent issuance of new shares on 4 September 2015, Company has received the funds from the new shareholders and made partial repayment of the shareholder loan by utilising US\$7 million out of the proceeds on 1 October 2015.

The current aggregate back-to-back banking facilities granted by the banks to the Company remained at US\$241 million as at end of 3Q2015.

Details of any collateral

Nil.

Contingent liabilities

As at 30 September 2015, the Group has no contingent liabilities.

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

<u>Group</u>	Three Months ended 30 Sep 2015 US\$'000	Three Months ended 30 Sep 2014 US\$'000	Nine Months ended 30 Sep 2015 US\$'000	Nine Months ended 30 Sep 2014 US\$'000
<b>OPERATING ACTIVITIES</b>				
Profit Before Income Tax	14,114	871	12,450	462
<b>Adjustment for:</b>				
Depreciation and Amortisation	35	21	79	62
Loss on Disposal of Plant and Equipment	-	-	24	-
Fair Value Gain on Derivative Instruments	(13,174)	-	(13,174)	-
Interest Income	(1)	-	(1)	(2)
Unrealised Exchange Differences	(54)	(22)	(81)	(16)
Operating Cash Flows Before Movements in Working Capital	920	870	(703)	506
<b>Movements in Working Capital:</b>				
Trade Receivables	(173,569)	(64,871)	(155,690)	(55,525)
Trade Payables	62,011	62,547	45,147	48,737
Other Receivables	254	(21)	(191)	255
Other Payables	22	140	97	(242)
<b>Cash Used in Operations</b>	(110,362)	(1,335)	(111,340)	(6,269)
Income Taxes Paid	(31)	-	(149)	(215)
Interest Received	1	-	1	2
<b>Net Cash Used in Operating Activities</b>	(110,392)	(1,335)	(111,488)	(6,482)
<b>INVESTING ACTIVITY</b>				
Acquisition of Plant and Equipment	(221)	-	(302)	-
<b>Net Cash Used in Investing Activity</b>	(221)	-	(302)	-
<b>FINANCING ACTIVITIES</b>				
Repayment to Holding Company	(911)	(184)	(1,580)	(196)
Issuance of Subscription Shares	178,283	-	178,283	-
Release of Pledged Fixed Deposit with Financial Institutions	-	-	1,001	3,205
<b>Net Cash Generated from/(Used in) Financing Activities</b>	177,372	(184)	177,704	3,009
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	66,759	(1,519)	65,914	(3,473)
Cash and Cash Equivalents at the Beginning of the Period	731	2,145	1,593	4,103
Effect of Exchange Rates Changes on Cash and Cash Equivalents	(37)	3	(54)	(1)
<b>Cash and Cash Equivalents at the End of the Period</b>	67,453	629	67,453	629

<b><u>Group</u></b>	<b>Three Months ended 30 Sep 2015 US\$'000</b>	<b>Three Months ended 30 Sep 2014 US\$'000</b>	<b>Nine Months ended 30 Sep 2015 US\$'000</b>	<b>Nine Months ended 30 Sep 2014 US\$'000</b>
Cash and Bank Balance	67,453	1,630	67,453	1,630
Fixed Deposit Pledged	-	(1,001)	-	(1,001)
Cash and Cash Equivalents per Consolidated Statement of Cash Flows	67,453	629	67,453	629

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

**Attributable to the Owners of the Company**

<b><u>Group</u></b>	<b><u>Share Capital</u> US\$'000</b>	<b><u>Share Premium</u> US\$'000</b>	<b><u>Accumulated Losses</u> US\$'000</b>	<b><u>Total Equity</u> US\$'000</b>
Balance at 1 January 2015	454	18,116	(17,246)	1,324
Issue of Subscription Shares	91	178,192	-	178,283
<b>Profit for the Period, Representing Total Comprehensive Income for the Financial Period</b>	-	-	10,310	10,310
Balance at 30 September 2015	545	196,308	(6,936)	189,917
Balance at 1 January 2014	454	18,116	(17,961)	609
<b>Profit for the Period, Representing Total Comprehensive Income for the Financial Period</b>	-	-	252	252
Balance at 30 September 2014	454	18,116	(17,709)	861

**Attributable to the Owners of the Company**

<u>Company</u>	<u>Share Capital</u> US\$'000	<u>Share Premium</u> US\$'000	<u>Accumulated Losses</u> US\$'000	<u>Total Equity</u> US\$'000
Balance at 1 January 2015	454	18,116	(21,248)	(2,678)
<b>Issue of Subscription Shares</b>	91	178,192	-	178,283
<b>Loss for the Period, Representing Total Comprehensive Loss for the Financial Period</b>	-	-	(448)	(448)
Balance at 30 September 2015	545	196,308	(21,696)	175,157
Balance at 1 January 2014	454	18,116	(20,042)	(1,472)
<b>Loss for the Period, Representing Total Comprehensive Loss for the Financial Period</b>	-	-	(1,024)	(1,024)
Balance at 30 September 2014	454	18,116	(21,066)	(2,496)

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

As announced recently, the Company has raised capital by issuing 705,530,975 new ordinary shares in the capital of the Company to the Subscribers at an issue price of S\$0.35 for each Subscription Share, to raise gross proceeds of S\$246,935,841.25 (equivalent to US\$178,351,881). Details of the changes to the issued and paid-up share capital of the Company since 31 December 2014 are as follows:

	<b>Number of shares</b>	<b>US\$'000</b>
<u>Issued and fully paid, at HK\$0.001 each</u>		
As at 31 December 2014	3,527,654,875	454
Issuance of Subscription Shares during the financial period	<u>705,530,975</u>	<u>91</u>
At as 30 September 2015	<u>4,233,180,850</u>	<u>545</u>

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

The total number of issued shares as at 30 September 2015 and 31 December 2014 was 4,233,180,850 shares and 3,527,654,875 shares respectively. There were no shares held as treasury shares and the Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 30 September 2015 and 31 December 2014.

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

Not applicable as the Company does not have any treasury shares.

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

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

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

Not applicable.

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

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recent audited financial statements as well as all the applicable new/revised International Financial Reporting Standards (IFRS) and IFRS interpretations (INT IFRS) which had come into effect for the financial years beginning on or after 1 January 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 year, the Group has adopted the new and revised IFRS, and INT IFRS that are relevant to its operations and effective for the current financial year. The adoption of these new or revised IFRS or INT IFRS does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior financial years.



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

	<u>Group</u>			
	Three Months Ended 30 Sep 2015 US\$	30 Sep 2014 US\$	Nine Months Ended 30 Sep 2015 US\$	30 Sep 2014 US\$
<b>Net Profit Attributable to Shareholders</b>	11,974,165	661,675	10,310,387	252,227
<b>Earnings per ordinary share</b>	US Cents	US Cents	US Cents	US Cents
(a) Based on the weighted average number of ordinary shares in issue; and	0.321	0.0188	0.287	0.0071
Weighted average number of ordinary shares in issue	3,734,712,879	3,527,654,875	3,597,689,200	3,527,654,875
(b) On a fully diluted basis	0.321	0.0188	0.287	0.0071
Weighted average number of ordinary shares in issue	3,734,712,879	3,527,654,875	3,597,689,200	3,527,654,875

Earnings per ordinary share for 3 months and 9 months ended 30 September 2015 has been computed based on the share capital as at 30 September 2015 and 31 December 2014 after adjustment for 705,530,975 share issued pursuant to the recent share placement exercise, giving rise to the weighted average number of shares of 3,734,712,879 and 3,597,689,200 respectively.

7. **Net assets value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

- (a) **current financial period reported on; and**  
(b) **immediately preceding financial year.**

	<u>Group</u>		<u>Company</u>	
	30 Sep 2015 US cents	31 Dec 2014 US cents	30 Sep 2015 US cents	31 Dec 2014 US cents
<b>Net Assets / (Liabilities) value per ordinary share</b>	4.486	0.038	4.138	(0.076)

The calculation of net asset value per ordinary share is based on the Group's net assets of approximately US\$189,917,309 as at 30 September 2015 (31 December 2014: US\$1,323,880) and the Company's net assets of approximately US\$175,157,038 as at 30 September 2015 (31 December 2014: net liabilities of US\$2,677,942) and share capital of 4,233,180,850 shares as at 30 September 2015 (31 December 2014: 3,527,654,875 shares).

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

### **Revenue**

In 3Q2015, Revenue increased by US\$68 million to US\$162 million compared to US\$94 million in 3Q2014 on higher trading volumes. The Group has expanded its trading business by mainly both 1) securing opportunities of supplying to and sourcing from strategic partners and increased the trading volume, and 2) venturing into trading in new derivatives instruments. This new derivatives trading is the result of the continuous efforts aiming to develop the Company's trading capability.

As at 30 September 2015, the segment of revenue of the Group as follows:-

<u>Revenue</u>	<b>Three Months ended 30 Sep 2015 US\$'000</b>	<b>Three Months Ended 30 Sep 2014 US\$'000</b>	<b>Nine Months ended 30 Sep 2015 US\$'000</b>	<b>Nine Months ended 30 Sep 2014 US\$'000</b>
Physical trading	149,001	93,565	175,180	291,913
Derivatives trading	13,295	-	13,295	-
	<u>162,296</u>	<u>93,565</u>	<u>188,475</u>	<u>291,913</u>

### **Gross Profit**

Gross profit derived from physical trading and derivatives trading was US\$1.867 million and US\$13.295 million respectively for 3Q2015. In aggregate, total gross profit increased significantly by 705% to US\$15 million in 3Q2015 compared to US\$1.884 million in 3Q2014. The increase of gross profit mainly comes from 1) larger physical trading profit due to healthy margin and increased physical trading volume, and 2) the net contribution from new derivatives trading business in 3Q2015, which was employed together with physical trading to enhance return and capture the market volatility to increase the profitability of the Company.

### **Other Operating Income**

Other operating income derived comprised interest income from bank balance, wage credit scheme payments and foreign currency exchange gain in 3Q2015.

### **Expenses**

Administrative expenses increased by 6% from US\$1.01 million in 3Q2014 to US\$1.07 million in 3Q2015 mainly due to the increase in staff costs.

### **Income Tax Expense**

Income tax expense was US\$2.14 million for 3Q2015 compared to US\$0.21 million in 3Q2014, mainly attributable to the recognition of income tax expenses from the profit generated by derivatives business.

## **Profit/Loss**

The Group achieved net profit of US\$12 million in 3Q2015 compared to US\$0.661 million for 3Q2014, an increase of US\$11 million, mainly due to the contribution from new derivatives trading business.

## **Review of the Group's Financial Position**

The Group's total assets was US\$269 million as at 30 September 2015, and mainly comprised of derivative financial assets of US\$13.754 million and trade receivables of US\$187.05 million. In relation to the trade receivables, US\$90.266 million and US\$35.025 million arose from open credit line granted to the existing customers and CEFC Shanghai respectively. Apart from that, US\$61.759 million arose from issuance of letter of credit to the existing customers. Cash and cash equivalents increased from US\$2.594 million as at 31 December 2014 to US\$67.453 million as at 30 September 2015.

Current liabilities comprised of trade and other payables of US\$62.18 million, derivative financial liabilities of US\$0.58 million, amount due to holding company of US\$13.859 million and income tax payable of US\$2.338 million.

The Group's total equity increased from US\$1.324 million as at 31 December 2014 to US\$189.917 million as at 30 September 2015. The increase was mainly due to the share issuance of US\$178.283 million in 3Q2015 and the recognition of net profit for the period amounting of US\$10.31 million.

## **Review of the Group's Cash Flows**

The Group recorded negative cashflow used in operating activities of approximately US\$110.392 million and US\$111.488 million in the three months and nine months respectively ended 30 September 2015. This was mainly due to the increase in trade receivables. Cash flow generated from financing activities in 3Q2015 was US\$177.372 million compared to negative cash flow of US\$0.184 million in 3Q2014, mainly due to the issuance of the new ordinary shares. As at 30 September 2015, the balance of cash and cash equivalent was US\$67.453 million.

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

No forecast or prospect statement has been previously disclosed to shareholders.

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

The global economic progress in the third quarter presented mixed signals to the energy trading industry. Global commodity prices were hard hit during the quarter, with US crude oil prices traded below \$40/barrel at one point of time. Positive economic data from Europe and the US were not sufficient to ease the growing fears that China, as one of the most important players in the global energy market, was showing signs of weakening economic growth. Despite the worries of China's slowdown, the consumption data published by China's National Bureau of Statistics (NBS) in July 2015 reported that demand for LPG, jet/kerosene and gasoline all increased at double digit rates compared with the year before, though diesel consumption was up only slightly. The data gave a positive indication to the country's demand growth for energy commodities especially on the consumer end.

To add to the complexity of market dynamics, the competitive advantage from superior price information has markedly disappeared in recent years. The lower barrier to entry and more price transparency attracted more new entrants that resulted in intense competition and erosion in trading margins. The competitive pressure compels

trading houses to develop their proprietary trading insights and employ diverse trading instruments to enhance trading strategies. For trading companies to stand out from the competition and protect their margins, they also need to own physical assets in order to secure sustainable outlets of products and to have the option of optimising their trading positions.

Despite the mixed circumstances of the overall economy and the cutthroat competition in the industry, the Group delivered a strong performance in the third quarter compared to previous quarters, and this was attributable to the following strategies that aim to develop the Group's long-term competitiveness:

- The Group brought in a trading team with strong leadership and professional expertise to undertake complex energy trading strategies, allowing it to deploy derivatives trading since the third quarter to complement the physical trading business. This allowed the Group to optimize trading positions, hedge the risks and capture more profit windows.
- The Group reckoned that fostering long-term partnership with major players would be crucial for trading companies to lock in reliable and steady supply and sales channels to achieve broader scope of business opportunities and have more bargaining power in the long run. In September 2015, the Company entered into a framework cooperation agreement with the subsidiary of CEFC China Energy Company Limited, a Fortune Global 500 with over RMB 220 billion of revenue in 2014 as stated in its company website, to serve as the partner's exclusive overseas trading procurement and supply platform.
- The Group also stepped up the efforts in identifying investment opportunities in midstream and downstream assets to integrate an end-to-end supply chain that can provide exceptional flexibility for traders to access unique profit pools. In July 2015, the Company announced that it was engaged in discussions with a third party to acquire equity interest in a company that currently owns a floating storage tank. The Company was also in discussions with a consortium to acquire equity interest in a company that is currently engaged in the construction of certain port facilities and cargo transportation in China (together, the "Potential Joint Ventures"). As at the date of the announcement, the discussions in respect of the Potential Joint Ventures are still ongoing.
- In preparation for its growing capital needs, the Group diversified its financing channels from bank facilities into equity issuance. In September, the Group completed a share subscription exercise with gross proceeds of S\$247 million, which not only provides financial resources to support the development of the trading business but also strengthened the balance sheet to attract new capital.

Moving forward, the Group will continue to focus on building up its fundamentals to maximise returns.

## 11. Dividend

### (a) Current Financial Period Reported On

None.

### Corresponding Period of the Immediately Preceding Financial Year

None.

### Date payable

Not applicable.

### (d) Books closure date

Not applicable.

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

No dividend has been declared or recommended.

**13. If the Group has obtained a general mandate from the Shareholder for IPTs, the aggregate value of such transactions as required under Rule 902 (1)(a) (ii). If no IPT mandate has been obtained, please make a statement to that effect**

There were no interested person transactions carried out in 3Q2015 except for the interest-free advances made by Singapore Petrochemical & Energy Development Pte. Ltd. to the Group.

The Company does not have a general mandate from shareholders for interested person transactions.

**14. Status on the use of net proceeds raised from share placement.**

On 4 September 2015, the Company allotted and issued 705,530,975 new ordinary shares to Subscribers at the issue price of S\$0.35 per share representing gross proceeds of approximately S\$247 million, which was/will be utilised for expansion of trading business (including commodity and derivative trading), repayment of shareholder loan, general working capital of the Group and general corporate activities, including but not limited to potential acquisitions and joint ventures. By 30 September 2015, the utilisation of proceeds are as follows:-

Utilisation of Proceeds

	<b>US\$'000</b>
<u>Description</u>	
Expansion of Trading Business (Including Commodity and Derivative Trading)	111,083
Repayment of Shareholder Loan	900
General Working Capital of the Group	1,000
Total	<u>112,983</u>

**BY ORDER OF THE BOARD**

**Zang Jian Jun**  
**Executive Chairman**  
**Date: 15 October 2015**

## **CONFIRMATION BY THE BOARD**

We, Zang Jian Jun and Lu Da Chuan, being two directors of CEFC International Limited (“**the Company**”), do hereby confirm on behalf of the directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the financial period ended 30 September 2015 to be false or misleading in any material aspect.

On behalf of the board of directors

**Zang Jian Jun**  
**Executive Chairman**

**Lu Da Chuan**  
**Executive Director**