



**UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2017**

**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 31 Mar 2017 US\$'000</b>	<b>Three months ended 31 Mar 2016 US\$'000</b>	<b>Increase /(Decrease) %</b>
Revenue	612,229	227,054	170%
Cost of sales	(596,361)	(225,902)	164%
<b>Gross profit</b>	<b>15,868</b>	<b>1,152</b>	<b>1,277%</b>
Other operating income	407	16	2,444%
Selling and distribution expenses	(9,567)	-	N.M
Administrative expenses	(1,467)	(1,843)	(20%)
Other operating expenses	(315)	(12)	2,525%
Finance expenses	(619)	(113)	448%
Share of results of joint venture	556	42	1,224%
<b>Profit/(loss) before income tax</b>	<b>4,863</b>	<b>(758)</b>	<b>742%</b>
Income tax expense	(160)	-	N.M
<b>Profit/(loss) for the period</b>	<b>4,703</b>	<b>(758)</b>	<b>720%</b>
<b>Other comprehensive income: Item that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign operations	57	-	N.M
<b>Other comprehensive income for the period</b>	<b>57</b>	<b>-</b>	<b>N.M</b>
<b>Total comprehensive income for the period</b>	<b>4,760</b>	<b>(758)</b>	<b>728%</b>

<b><u>Group</u></b>	<b>Three months ended 31 Mar 2017 US\$'000</b>	<b>Three months ended 31 Mar 2016 US\$'000</b>	<b>Increase /(Decrease) %</b>
<b>Profit/(loss) attributable to:</b>			
Owners of the Company	4,397	(758)	680%
Non-controlling interests	306	-	N.M
<b>Profit/(loss) for the period</b>	<b>4,703</b>	<b>(758)</b>	<b>720%</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company	4,427	(758)	684%
Non-controlling interests	333	-	N.M
<b>Total comprehensive income for the period</b>	<b>4,760</b>	<b>(758)</b>	<b>728%</b>

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

<b><u>Group</u></b>	<b>Three months ended 31 Mar 2017 US\$'000</b>	<b>Three months ended 31 Mar 2016 US\$'000</b>	<b>Increase /(Decrease) %</b>
Government credit	(5)	(9)	(44%)
Loss on disposal of property, plant and equipment	24	-	N.M
Interest income	(47)	(1)	4,600%
Depreciation and amortisation	1,055	39	2,605%
Directors' fees	53	53	-
Finance expenses	619	113	448%
Professional fees	303	98	209%
Rental expenses	672	273	146%
Staff costs (including key management personnel compensation)	5,466	990	4,521%
Travelling expenses	218	165	32%

**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>	
	31 Mar 2017 US\$'000	31 Dec 2016 US\$'000	31 Mar 2017 US\$'000	31 Dec 2016 US\$'000
<b>ASSETS</b>				
<b>Non-current assets:</b>				
Property, plant and equipment	37,087	37,602	-	-
Intangible assets	8,404	8,522	1	1
Investments in subsidiaries	-	-	48,660	48,660
Investment in associates	9,153	9,137	-	-
Investments in joint ventures	38,873	38,298	-	-
Available-for-sale financial assets	4	4	-	-
Other receivables	274	284	-	-
Total non-current assets	<u>93,795</u>	<u>93,847</u>	<u>48,661</u>	<u>48,661</u>
<b>Current assets:</b>				
Inventories	41,001	41,694	-	-
Trade and other receivables	323,391	292,778	34	52
Derivative financial assets	682	461	-	-
Amounts due from subsidiaries	-	-	143,667	144,137
Amounts due from related companies	7,127	4,604	-	-
Tax recoverable	1,424	1,712	-	-
Cash and cash equivalents	40,233	36,446	482	490
Total current assets	<u>413,858</u>	<u>377,695</u>	<u>144,183</u>	<u>144,679</u>
<b>Total assets</b>	<u><u>507,653</u></u>	<u><u>471,542</u></u>	<u><u>192,844</u></u>	<u><u>193,340</u></u>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Trade and other payables	164,859	151,992	115	353
Derivative financial liabilities	1,325	1,389	-	-
Loans and borrowings	56,266	36,455	-	-
Amounts due to holding company	3,685	4,185	-	-
Amounts due to related companies	26,475	30,827	20,450	20,500
Income tax payable	1,240	685	-	-
Total current liabilities	<u>253,850</u>	<u>225,533</u>	<u>20,565</u>	<u>20,853</u>
<b>Non-current liabilities</b>				
Provisions	9,451	9,428	-	-
Deferred tax liabilities	8,053	8,860	-	-
Loans and borrowings	14,148	10,293	-	-
Other payables	805	842	-	-
Total non-current liabilities	<u>32,457</u>	<u>29,423</u>	<u>-</u>	<u>-</u>
<b>Total liabilities</b>	<u><u>286,307</u></u>	<u><u>254,956</u></u>	<u><u>20,565</u></u>	<u><u>20,853</u></u>

	<u>Group</u>		<u>Company</u>	
	31 Mar 2017 US\$'000	31 Dec 2016 US\$'000	31 Mar 2017 US\$'000	31 Dec 2016 US\$'000
<b>Equity</b>				
Share capital	545	545	545	545
Share premium	196,308	196,308	196,308	196,308
Retained earnings/ (accumulated losses)	7,819	3,422	(24,574)	(24,366)
Foreign currency translation reserve	29	-	-	-
	<u>204,701</u>	<u>200,275</u>	<u>172,279</u>	<u>172,487</u>
<b>Non-controlling interests</b>	16,645	16,311	-	-
<b>Total equity</b>	<u>221,346</u>	<u>216,586</u>	<u>172,279</u>	<u>172,487</u>
<b>Total liabilities and equity</b>	<u>507,653</u>	<u>471,542</u>	<u>192,844</u>	<u>193,340</u>

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

	<u>Unsecured</u>		<u>Secured</u>	
	31 Mar 2017 US\$'000	31 Dec 2016 US\$'00	31 Mar 2017 US\$'000	31 Dec 2016 US\$'00
Amount payable in one year or less or on demand	71,061	49,757	15,365	21,710
Amount payable after one year	14,148	10,293	-	-

The Company's controlling shareholder, AnAn Group (Singapore) Pte. Ltd. (formerly known as Singapore Petrochemical & Energy Development Pte. Ltd.), continues to extend financial support by providing interest-free loans. As at 31 March 2017, the aggregate loan balance was approximately US\$3.69 million.

The aggregate banking facilities granted by the banks is approximately US\$475 million as at 31 March 2017.

Details of any collateral

The secured borrowings pertained to secured bank loans of US\$15.36 million which are secured with trade receivables of the subsidiaries.

Contingent liabilities

As at 31 March 2017, the Group has given guarantees amounting to US\$420 million to certain banks in respect of banking facilities granted to a subsidiary.

As at 31 March 2017, the Group has also given guarantees of Euro9.5 million in favour of certain counterparts for a subsidiary.

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>	<b>Three months ended 31 Mar 2017 US\$'000</b>	<b>Three months ended 31 Mar 2016 US\$'000</b>
<b>Operating activities</b>		
Profit/(loss) before income tax	4,863	(758)
<b>Adjustment for:</b>		
Depreciation and amortisation	1,055	39
Loss on disposal of property, plant and equipment	24	-
Fair value measurement on derivative instrument	(285)	32
Allowance for doubtful debts	18	-
Interest expenses	412	43
Interest income	(47)	(1)
Share of results of joint venture	(556)	(42)
Unrealised exchange differences	(156)	13
Operating cash flows before movements in working capital	5,328	(674)
<b>Movements in working capital:</b>		
Inventories	764	-
Trade and other receivables	(30,376)	47,377
Trade and other payables	12,830	(61,851)
<b>Cash used in operations</b>	(11,453)	(15,148)
Income taxes paid	(197)	(362)
Interest paid	(412)	(43)
Interest received	47	1
<b>Net cash used in operating activities</b>	(12,016)	(15,552)
<b>Investing activities</b>		
Refund of excess capital injection in joint venture	-	66
Proceeds from disposal of property, plant and equipment	91	-
Purchases of intangible assets, property, plant and equipment	(472)	(28)
<b>Net cash (used in)/ generated from investing activities</b>	(381)	38
<b>Financing activities</b>		
Proceeds from borrowings	8,428	10,269
Repayment of borrowings	(10,923)	-
Repayment of obligation under finance leases	(13)	-
Repayment to holding company	(500)	-
Repayment to related companies	(6,883)	-
Fixed deposit pledged with financial institutions	-	(1,500)
<b>Net cash (used in) / generated from financing activities</b>	(9,891)	8,769
<b>Net decrease in cash and cash equivalents</b>	(22,288)	(6,745)
Cash and cash equivalents at the beginning of the period	23,032	43,606
Effect of exchange rates changes on cash and cash equivalents	30	9
<b>Cash and cash equivalents at the end of the period</b>	774	36,870

<u>Group</u>	<b>Three months ended 31 Mar 2017</b>	<b>Three months ended 31 Mar 2016</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Cash and bank balance	40,233	38,370
Fixed deposit pledged	(609)	(1,500)
Bank overdrafts	(38,850)	-
Cash and cash equivalents per consolidated statement of cash flows	774	36,870

**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.**

	<u>Attributable to the owners of the Company</u>						<b>Total equity</b> US\$'000
	<b>Share capital</b> US\$'000	<b>Share premium</b> US\$'000	<b>Retained earnings/ (accumulated losses)</b> US\$'000	<b>Foreign currency translation reserve</b> US\$'000	<b>Equity attributable to owners of the Company</b> US\$'000	<b>Non-controlling interests</b> US\$'000	
<b>Group</b>							
At 1 January 2017	545	196,308	3,422	-	200,275	16,311	216,586
Profit for the period	-	-	4,397	-	4,397	306	4,703
Exchange differences on translating foreign operations	-	-	-	29	29	28	57
Balance at 31 March 2017	545	196,308	7,819	29	204,701	16,645	221,346
At 1 January 2016	545	196,308	699	-	197,552	-	197,552
Loss for the period, representing total comprehensive income for the financial period	-	-	(758)	-	(758)	-	(758)
Balance at 31 March 2016	545	196,308	(59)	-	196,794	-	196,794

**Attributable to the owners of the Company**

<u>Company</u>	<b>Share capital US\$'000</b>	<b>Share premium US\$'000</b>	<b>Accumulated losses US\$'000</b>	<b>Total equity US\$'000</b>
At 1 January 2017	545	196,308	(24,366)	172,487
Loss for the period, representing total comprehensive income for the period	-	-	(208)	(208)
Balance at 31 March 2017	545	196,308	(24,574)	172,279
At 1 January 2016	545	196,308	(22,129)	174,724
Loss for the period, representing total comprehensive income for the period	-	-	(288)	(288)
Balance at 31 March 2016	545	196,308	(22,417)	174,436

**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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 have been no changes in the Company's share capital since the end of the previous period reported.

Save as disclosed above, there have been no bonus or other issues of shares during the period.

**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 end of 31 March 2017 and 31 December 2016 was 4,233,185,850 shares. 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 31 March 2017 and 31 December 2016.

**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.

**1(d)(v) A statement showing all sales, transfer, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

During the financial period, there was no transaction pertaining to subsidiary holdings.

**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 came into effect for the financial years beginning on or after 1 January 2017.

**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	
	31 Mar 2017	31 Mar 2016
	US\$	US\$
<b>Profit/(loss) attributable to owners of the Company</b>	4,397,016	(757,720)
<b>Earnings per ordinary share</b>	US Cents	US Cents
(a) Based on the weighted average number of ordinary shares in issue; and	0.104	(0.018)
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850
(b) On a fully diluted basis	0.104	(0.018)
Weighted average number of ordinary shares in issue	4,233,185,850	4,233,185,850

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>	
	31 Mar 2017	31 Dec 2016	31 Mar 2017	31 Dec 2016
	US cents	US cents	US cents	US cents
<b>Net assets value per ordinary share</b>	4.836	4.731	4.070	4.075

The calculation of net assets value per ordinary share is based on the Group's net assets of approximately US\$204,701,149 as at 31 March 2017 (31 December 2016: US\$200,274,905) and the Company's net assets of approximately US\$172,278,635 as at 31 March 2017 (31 December 2016: US\$172,487,331) and share capital of 4,233,185,850 shares as at 31 March 2017 (31 December 2016: 4,233,185,850 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.

#### **Review of the Group's financial performance**

The Group's revenue increased by 170% from US\$227.05 million for the three months ended 31 March 2016 ("1Q2016") to US\$612.23 million for the three months ended 31 March 2017 ("1Q2017"). The revenue from wholesale and distribution segments increased significantly in the first quarter of 2017 as compared to the same period last year. The increase was primarily contributed by the subsidiaries acquired last year.

The breakdown of the business segment results are as follows:

<u>Revenue</u>	<b>1Q2017 US\$'000</b>	<b>1Q2016 US\$'000</b>
Distribution	346,950	-
Wholesale	265,279	227,054
	<u>612,229</u>	<u>227,054</u>

The Group reported a gross profit of US\$15.87 million in 1Q2017, an increase of 1,277% as compared to US\$1.15 million in 1Q2016. The gross margin increased from 0.5% in 1Q2016 to 2.6% in 1Q2017 due to higher profit margin generated from distribution segment. Distribution segment and wholesale segment contributed 64% and 36% to the Group's gross profit respectively.

Other operating income for 1Q2017 and 1Q2016 were US\$0.41million and US\$0.02 million respectively, and mainly comprised government credit scheme and bank interest income.

Selling distribution expenses in 1Q2017 was US\$9.57 million which resulted from distribution segment. Administrative expenses reduced by 20% to US\$1.47 million in 1Q2017 as compared to US\$1.84 million in 1Q2016. Other operating expenses in 1Q2017 increased significantly by 2,525% to US\$0.32 million mainly due to allowance for receivables. Finance expenses of US\$0.62 million in 1Q2017 increased by 448% from US\$0.11 million in 1Q2016 mainly due to interest expenses incurred from bank borrowings.

The Group's net profit for 1Q2017 was US\$4.7 million as compared to net loss of US\$0.76 million for 1Q2016, an increase of US\$5.46 million, mainly attributable to the increase in profitability of trading business.

## **Review of the Group's financial position**

The Group's non-current assets stood at US\$93.80 million as at 31 March 2017. The non-current assets mainly comprised the property, plant and equipment of US\$37.09 million, intangible assets of US\$8.4 million, investments in associates and joint ventures of US\$48.03 million and other receivables of US\$0.27 million.

The current assets stood at US\$413.86 million as at 31 March 2017 compared to US\$377.70 million as at 31 December 2016. Overall, the increase of US\$36.16 million in current assets was mainly from (i) an increase of US\$30.61 million in trade and other receivables to US\$323.39 million as at 31 March 2017 from US\$292.78 million as at 31 December 2016; (ii) an increase of US\$2.52 million in amounts due from related companies; and (iii) an increase of US\$3.79 million in cash and cash equivalents. The increases resulted from above was partially offset by a decrease in inventories of US\$0.69 million and tax recoverable of US\$0.29 million.

The increase of US\$28.32 million in current liabilities is mainly from (i) an increase in trade and other payables of US\$12.87 million from US\$151.99 million as at 31 December 2016 to US\$164.86 million as at 31 March 2017, (ii) an increase in loans and borrowings of US\$19.81 million, (iii) an increase in income tax payable of US\$0.56 million; (iv) and the increase in current liabilities was partially offset by a decrease of US\$4.35 million in amounts due to related companies and a decrease of US\$0.5 million in amounts due to holding company.

The non-current liabilities increased from US\$29.42 million as at 31 December 2016 to US\$32.46 million as at 31 March 2017 and is mainly attributable to an increase in loans and borrowings of US\$3.86 million, partially offset by a reduction in deferred tax liabilities of US\$0.81 million.

The Group's total liabilities increased by 12% or US\$31.35 million to US\$286.31 million as at 31 March 2017 from US\$254.96 million in 31 December 2016.

The Group's net assets stood at US\$204.70 million as at 31 March 2017, or 4.84 US cents per share, compared to US\$200.28 million as at 31 December 2016 or 4.73 US cents per share.

## **Review of the Group's cash flows**

The Group recorded a net cash used in operating activities amounting to US\$12.02 million in 1Q2017 compared to US\$15.55 million in 1Q2016, attributable mainly to an increase in trade and other receivables. The net cash used in investing activities for 1Q2017 was US\$0.38 million which was mainly due to the purchases of intangible assets, property, plant and equipment. The net cash used in financing activities was US\$9.89 million for 1Q2017 compared to a net cash generated from financing activities of US\$8.77 million in 1Q2016, mainly due to the repayment to holding company and related companies and repayment of borrowings.

As a result of the above, the Group's cash and cash equivalents stood at US\$0.77 million as at 31 March 2017.

## **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.**

1Q2017 saw mixed developments in oil production among oil producing countries, with OPEC curbs countered by US drillers boosting rigs, sending oil price to a low of US\$50 towards end of 1Q. Growth in non-OECD Asian oil demand, notably India and China, remain robust and above historical average.

France and Spain remain relatively mature markets, and the Group will closely monitor the impact on any possible changes in policies and regulations towards French enterprises arising from the election of a new French president in May 2017.

Our continued strife for risk adverse and business excellence has been to focus on profitable trades without exposing the company to price volatility. The Group's main focus on diversification of products and client base will continue through the year.

On the financing front, the Group announced in March the sale of accounts receivables totaling approximately RMB 109 million to an independent third party equity fund for a consideration in Renminbi equivalent to a discounted amount of the receivable sold. This marked the opening up of a new financing channel by the Group to optimise cash flows and an effective means to enhancing working capital management.

To implement its strategy to broaden income streams through mergers and acquisitions, the Group continues to evaluate various investment opportunities from time to time although no definitive agreements have yet been reached. The Group disclosed in the announcements dated 7 July 2015 and 18 August 2015 that it was in discussions to acquire equity interests in two companies, one of which owns floating storage facilities and the other of which is involved in the construction of certain port facilities and cargo transportation in China. The Group wishes to update that the potential floating storage project is still in the stage of negotiation, while the Group is reviewing the due diligence results and making corresponding commercial decisions in the port facilities and cargo transportation project.

Notwithstanding the business plans mapped out above, the Group's performance is dependent upon developments in global economic, financial and commodities markets. The Group will remain vigilant and nimble on any possible impact on its operations and investments as a result of such developments.

**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 1Q2017 except for the interest-free advances made by AnAn Group (Singapore) Pte. Ltd. (formerly known as Singapore Petrochemical & Energy Development Pte. Ltd.) to the Group.

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

**14. 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.**

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, there is no person occupying a managerial position in the Group or Company or any of its principal subsidiaries who is a relative of the director or chief executive officer or substantial shareholder.

**15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule720(1))**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

**Zang Jian Jun**  
**Executive Chairman**  
**Date: 11 May 2017**

**CONFIRMATION BY THE BOARD**

We, Zang Jian Jun and Zhao Guang Ming, 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 31 March 2017 to be false or misleading in any material aspect.

On behalf of the board of directors

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

**Zhao Guang Ming**  
**Executive Director**