

Unaudited Financial Statements and Dividend Announcement for the Fourth Quarter and Year Ended 31 October 2016

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Q4 FY2016 (S\$'000)	Q4 FY2015 (S\$'000)	% Change	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	% Change
Revenue	14,261	16,596	(14.1%)	56,941	63,120	(9.8%)
Cost of Sales	(11,044)	(12,753)	(13.4%)	(45,481)	(49,105)	(7.4%)
Gross Profit	3,217	3,843	(16.3%)	11,460	14,015	(18.2%)
<u>Other Items of Income</u>						
Finance Income	13	11	18.2%	46	59	(22.0%)
Other Gains	3	240	(98.8%)	265	799	(66.8%)
<u>Other Items of Expense</u>						
Marketing and Distribution Expenses	(687)	(773)	(11.1%)	(2,944)	(3,308)	(11.0%)
Administrative Expenses	(2,360)	(2,124)	11.1%	(8,057)	(7,713)	4.5%
Finance Costs	(282)	(311)	(9.3%)	(1,161)	(1,199)	(3.2%)
Other Gains/(Losses)	194	(50)	n/m	(260)	(240)	8.3%
Share of Results from Associates and Jointly-Controlled Entity, Net of Tax	(246)	(281)	(12.5%)	(1,140)	(854)	33.5%
(Loss)/Profit Before Income Tax	(148)	555	n/m	(1,791)	1,559	n/m
Income Tax Expense	(77)	(99)	(22.2%)	(20)	(655)	(96.9%)
(Loss)/Profit for the Period/Year	(225)	456	n/m	(1,811)	904	n/m
<u>Other Comprehensive Loss</u>						
<u>Items that may be subsequently reclassified to profit or loss:</u>						
Exchange Differences on Translating Foreign Operations, Net of Tax	(85)	(2,337)	(96.4%)	(244)	(4,802)	(94.9%)
Defined Benefit Plan Actuarial (Losses)/Gains	(24)	6	n/m	(24)	6	n/m
Effective Portion of Changes in Fair Value of Cash Flow Hedges	(13)	(164)	(92.1%)	84	(106)	n/m
Total Other Comprehensive Loss for the Period/Year	(122)	(2,495)	(95.1%)	(184)	(4,902)	(96.2%)
Total Comprehensive Loss for the Period/Year	(347)	(2,039)	(83.0%)	(1,995)	(3,998)	(50.1%)

	Group					
	Q4 FY2016 (S\$'000)	Q4 FY2015 (S\$'000)	% Change	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	% Change
(Loss)/Profit for the Period/Year Attributable to:						
Owners of the Company	(209)	366	n/m	(1,867)	610	n/m
Non-Controlling Interests	(16)	90	n/m	56	294	(81.0%)
(Loss)/Profit for the Period/Year	(225)	456	n/m	(1,811)	904	n/m
Total Comprehensive Loss for the Period/Year Attributable to:						
Owners of the Company	(295)	(1,711)	(82.8%)	(2,211)	(3,430)	(35.5%)
Non-Controlling Interests	(52)	(328)	(84.1%)	216	(568)	n/m
Total Comprehensive Loss for the Period/Year	(347)	(2,039)	(83.0%)	(1,995)	(3,998)	(50.1%)

"n/m" denotes not meaningful.

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

Profit/(loss) for the period/year is after crediting/(charging):

	Group			
	Q4 FY2016 (S\$'000)	Q4 FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)
Finance Lease Income	325	337	1,325	1,369
Finance Income				
– Interest Income	13	11	46	59
Finance Costs	(282)	(311)	(1,161)	(1,199)
Depreciation of Property, Plant and Equipment	(604)	(776)	(2,741)	(2,784)
Impairment Loss on Assets Held for Sale	-	(50)	-	(7,456)
Extinguishment of Liabilities	-	-	-	7,217
Impairment Loss on Assets Held for Sale, Net	-	(50)	-	(239)
Amortisation of Intangible Assets	(21)	(21)	(86)	(92)
Amortisation of Land Use Rights	(120)	(6)	(138)	(25)
(Loss)/Gain on Disposal of Property, Plant and Equipment	(1)	8	(13)	42
Net Fair Value (Loss)/Gain on Derivative Financial Instruments	(34)	5	(80)	31
Foreign Exchange Gain/(Loss), Net	236	169	(146)	467
Government Grant Income	30	30	173	118
Adjustments for Over Provision for Taxation in Respect of Prior Years	73	25	80	117
Provision for Retirement Benefit Obligations (Expense)/Income, Net	(5)	7	(39)	(43)
Amortisation of Deferred Income	2	1	8	15
Allowance for Doubtful Receivables – (Made)/Reversed	(35)	(16)	(7)	20
Allowance for Inventory Obsolescence – Reversed/(Made)	90	7	73	(27)
Bad Debts (Written Off)/Recovered	(1)	-	84	-
Amortisation of Deferred Expense	(13)	-	(13)	-
Equity-Settled Share-Based Expenses	(50)	-	(50)	-

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	24,963	23,792	198	302
Intangible Assets	1,304	1,365	-	-
Land Use Rights	2,561	1,103	-	-
Investments in Subsidiaries	-	-	42,933	43,731
Investments in Associates	3,826	4,527	-	-
Investment in Jointly-Controlled Entity	2,520	3,558	-	-
Other Financial Assets	1,057	1,057	-	-
Finance Lease Receivables	11,236	11,920	-	-
Other Receivable	635	635	-	-
Other Assets	318	-	-	-
Deferred Tax Assets	166	158	-	-
Total Non-Current Assets	48,586	48,115	43,131	44,033
Current Assets				
Inventories	7,778	8,253	-	-
Income Tax Receivables	434	372	-	-
Trade and Other Receivables	17,041	17,817	4,587	5,341
Finance Lease Receivables	724	652	-	-
Derivative Financial Instruments	-	44	-	-
Other Assets	1,067	620	91	86
Cash and Cash Equivalents	8,174	7,732	1,037	1,362
	35,218	35,490	5,715	6,789
Assets Held for Sale	-	5,078	-	-
Total Current Assets	35,218	40,568	5,715	6,789
Total Assets	83,804	88,683	48,846	50,822
EQUITY AND LIABILITIES				
EQUITY				
Share Capital	48,035	48,035	48,035	48,035
Accumulated Losses	(1,989)	(61)	(5,858)	(5,744)
Foreign Currency Translation Reserve	(5,524)	(5,083)	-	-
Other Reserves	2,172	1,964	50	-
Equity Attributable to Owners of the Company	42,694	44,855	42,227	42,291
Non-Controlling Interests	2,686	2,732	-	-
Total Equity	45,380	47,587	42,227	42,291
LIABILITIES				
Non-Current Liabilities				
Provision for Retirement Benefit Obligations	688	632	-	-
Loans and Borrowings	8,962	10,993	711	23
Deferred Tax Liabilities	2,138	2,226	-	-
Provision for Reinstatement Cost	350	350	-	-
Deferred Income	20	26	-	-
Total Non-Current Liabilities	12,158	14,227	711	23

	Group		Company	
	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)
Current Liabilities				
Income Tax Payable	54	520	14	27
Trade and Other Payables	12,548	9,384	4,371	5,449
Other Liabilities	764	766	-	-
Derivative Financial Instruments	77	124	-	-
Loans and Borrowings	12,671	14,034	1,523	3,032
Deferred Income	152	8	-	-
	26,266	24,836	5,908	8,508
Liabilities Directly Associated with Assets Held for Sale	-	2,033	-	-
Total Current Liabilities	26,266	26,869	5,908	8,508
Total Liabilities	38,424	41,096	6,619	8,531
Total Equity and Liabilities	83,804	88,683	48,846	50,822

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

	Group			
	As at 31 October 2016		As at 31 October 2015	
	Secured	Unsecured	Secured	Unsecured
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Amount repayable in one year or less, or on demand	7,864	4,807	10,029	4,005
Amount repayable after one year	8,254	708	10,993	-

Details of any collateral

As at 31 October 2016, secured loans and borrowings comprised:

- Finance lease liabilities of S\$2,384,000 (31 October 2015: S\$3,009,000) were secured by the lessors' charge over the leased assets.
- Loans and borrowings of S\$7,247,000 (31 October 2015: S\$9,395,000) were secured by property, plant and equipment and assets of certain subsidiaries in Malaysia.
- Loans and borrowings of S\$194,000 (31 October 2015: S\$293,000) were secured by property, plant and equipment of subsidiaries in Singapore.
- Loans and borrowings of S\$6,229,000 (31 October 2015: S\$7,866,000) were secured by an assignment of a supply agreement with a customer and a fixed and floating charge over present and future undertakings, property assets, revenue and rights in relation to the biomass co-generation power plant at Gardens by the Bay (Marina South). The Group's investment in the biomass co-generation power plant is classified as finance lease receivables.
- Loans and borrowings of S\$64,000 (31 October 2015: S\$459,000) were secured by an assignment of contracts and contracts proceeds and a floating charge over certain cash balances of a subsidiary placed with a bank.

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

	Group			
	Q4 FY2016 (S\$'000)	Q4 FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)
<u>Cash Flows From Operating Activities</u>				
(Loss)/Profit Before Income Tax	(148)	555	(1,791)	1,559
Depreciation of Property, Plant and Equipment	604	776	2,741	2,784
Loss/(Gain) on Disposal of Property, Plant and Equipment	1	(8)	13	(42)
Amortisation of Intangible Assets	21	21	86	92
Amortisation of Land Use Rights	120	6	138	25
Share of Results from Associates and Jointly-Controlled Entity, Net of Tax	246	281	1,140	854
Impairment Loss on Assets Held for Sale	-	50	-	7,456
Extinguishment of Liabilities	-	-	-	(7,217)
	-	50	-	239
Net Fair Value Loss/(Gain) on Derivative Financial Instruments	34	(5)	80	(31)
Amortisation of Deferred Expenses	13	-	13	-
Provision for Retirement Benefit Obligations Expense/(Income), Net	5	(7)	39	43
Amortisation of Deferred Income	(2)	(1)	(8)	(15)
Finance Lease Income	(325)	(337)	(1,325)	(1,369)
Finance Income	(13)	(11)	(46)	(59)
Finance Costs	282	311	1,161	1,199
Equity-Settled Share-Based Expenses	50	-	50	-
Operating Cash Flows Before Changes in Working Capital	888	1,631	2,291	5,279
Inventories	834	117	644	(835)
Trade and Other Receivables	(124)	(1,461)	1,338	(2,408)
Finance Lease Receivables	216	146	612	564
Other Assets	(148)	177	(440)	219
Trade and Other Payables	1,442	(525)	1,480	(3,298)
Other Liabilities	(1)	(3)	(2)	(4)
Finance Lease Income Received	325	337	1,325	1,369
Retirement Benefit Obligations Paid	(7)	7	(51)	(18)
Net Cash Flows From Operations Before Income Tax	3,425	426	7,197	868
Income Tax Paid	(256)	(82)	(819)	(575)
Net Cash Flows From Operating Activities	3,169	344	6,378	293
<u>Cash Flows From Investing Activities</u>				
Acquisition of Property, Plant and Equipment	(189)	(344)	(960)	(2,624)
Proceeds from Disposal of Property, Plant and Equipment	19	14	19	70
Acquisition of Non-Controlling Interests without Change in Control	(15)	-	(15)	-
Repayment from/(Loan to) a Jointly-Controlled Entity	56	-	49	(221)
Interest Income Received	13	11	46	59
Net Cash Flows Used In Investing Activities	(116)	(319)	(861)	(2,716)

	Group			
	Q4 FY2016 (S\$'000)	Q4 FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)
<u>Cash Flows From Financing Activities</u>				
Proceeds from Loans and Borrowings	-	1,516	-	2,998
Repayments of Loans and Borrowings	(1,197)	(286)	(4,756)	(2,980)
Interest Expense Paid	(268)	(709)	(1,132)	(1,546)
Dividends Paid to Non-Controlling Interests of Subsidiaries	-	-	(247)	(165)
(Increase)/Decrease in Cash Restricted in Use Over 3 Months ^(a)	(5)	34	(522)	(63)
Net Cash Flows (Used In)/From Financing Activities	(1,470)	555	(6,657)	(1,756)
Net Increase/(Decrease) in Cash and Cash Equivalents	1,583	580	(1,140)	(4,179)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(4)	(189)	42	(277)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	3,163	5,449	5,840	10,296
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance	4,742	5,840	4,742	5,840
Cash and Cash Equivalents in the Statement of Cash Flows				
Cash and Cash Equivalents ^(b)	8,174	7,732	8,174	7,732
Cash Restricted in Use	(1,152)	(629)	(1,152)	(629)
Bank Overdrafts	(2,280)	(1,263)	(2,280)	(1,263)
Cash and Cash Equivalents At End of Period/Year	4,742	5,840	4,742	5,840

(a) Comprised fixed deposits held by banks for revolving banking and credit facilities.

(b) Included in cash and cash equivalents were fixed deposits of S\$2,375,000 (31 October 2015: S\$1,539,000).

Non-Cash Transactions

Property, plant and equipment amounting to S\$124,000 (YTD FY2015: S\$230,000) were acquired through finance leases.

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

	Share Capital (S\$'000)	Accumulated Losses (S\$'000)	Foreign Currency Translation Reserve (S\$'000)	Other Reserves (S\$'000)	Parent Sub – Total (S\$'000)	Non- Controlling Interests (S\$'000)	Total Equity (S\$'000)
Group							
Current Year							
At 1 November 2015	48,035	(61)	(5,083)	1,964	44,855	2,732	47,587
Total Comprehensive (Loss)/Income for the Year	-	(1,867)	-	-	(1,867)	56	(1,811)
Movements in Equity							
Exchange Differences of Translating Foreign Operations, Net of Tax	-	-	(441)	35	(406)	162	(244)
Effective Portion of Changes in Fair Value of Cash Flow Hedges	-	-	-	84	84	-	84
Equity-Settled Share-Based Expenses	-	-	-	50	50	-	50
Defined Benefit Plan - Actuarial	-	(22)	-	-	(22)	(2)	(24)
Acquisition of Interest in Subsidiary from Non-Controlling Interests With No Change In Control	-	-	-	-	-	(15)	(15)
Dividends Paid to Non-Controlling Interests of Subsidiaries	-	-	-	-	-	(247)	(247)
Bonus Shares Issued by Subsidiaries	-	(39)	-	39	-	-	-
	-	(61)	(441)	208	(294)	(102)	(396)
At 31 October 2016	48,035	(1,989)	(5,524)	2,172	42,694	2,686	45,380
Prior Year							
At 1 November 2014	46,191	(657)	(1,560)	2,629	46,603	3,446	50,049
Total Comprehensive Income for the Year	-	610	-	-	610	294	904
Movements in Equity							
Exchange Differences of Translating Foreign Operations, Net of Tax	-	-	(3,523)	(416)	(3,939)	(863)	(4,802)
Effective Portion of Changes in Fair Value of Cash Flow Hedges	-	-	-	(105)	(105)	-	(105)
Defined Benefit Plan - Actuarial	-	4	-	-	4	1	5
Acquisition of Interest in Subsidiary from Non-Controlling Interests With No Change In Control	-	(18)	-	-	(18)	18	-
Dividends Paid to Non-Controlling Interests of Subsidiaries	-	-	-	-	-	(164)	(164)
Issue of Ordinary Shares	1,700	-	-	-	1,700	-	1,700
Issue of Ordinary Shares under ecoWise Performance Share Plan	144	-	-	(144)	-	-	-
	1,844	(14)	(3,523)	(665)	(2,358)	(1,008)	(3,366)
At 31 October 2015	48,035	(61)	(5,083)	1,964	44,855	2,732	47,587

	Share Capital (S\$'000)	Accumulated Losses (S\$'000)	Other Reserves (S\$'000)	Total Equity (S\$'000)
<u>Company</u>				
<u>Current Year</u>				
At 1 November 2015	48,035	(5,744)	-	42,291
Total Comprehensive Loss for the Year	-	(114)	-	(114)
Movements in Equity				
Equity-Settled Share-Based Expenses	-	-	50	50
At 31 October 2016	48,035	(5,858)	50	42,227
<u>Prior Year</u>				
At 1 November 2014	46,191	(4,172)	144	42,163
Total Comprehensive Loss for the Year	-	(1,572)	-	(1,572)
Movements in Equity				
Issue of Ordinary Shares	1,700	-	-	1,700
Issue of Ordinary Shares under ecoWise Performance Share Plan	144	-	(144)	-
	1,844	-	(144)	1,700
At 31 October 2015	48,035	(5,744)	-	42,291

- 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.

	Number of Ordinary Shares	Paid-up Capital (S\$'000)
At 1 November 2015 and 31 October 2016	952,983,029	48,035

On 21 January 2016, pursuant to the ecoWise Performance Share Plan, the Company granted share awards of 4,500,000 shares in the share capital of the Company to an eligible participant. Please refer to the Company's announcement dated 21 January 2016 for more information.

As at 31 October 2016, the number of outstanding share awards under the ecoWise Performance Share Plan was 4,500,000 shares (31 October 2015: Nil).

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

The total number of issued shares, excluding treasury shares, was 952,983,029 ordinary shares as at 31 October 2016 (31 October 2015: 952,983,029 ordinary shares).

- 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 treasury shares held by the Company as at 31 October 2016.

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

These financial statements 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 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.**

Except for the adoption of the new and revised Financial Reporting Standards (“FRS”) and Interpretations to FRS (“INT FRS”) that are effective for the period beginning on 1 November 2015 (see item 5), the Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with the audited financial statements for the year ended 31 October 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 adoption of new and revised FRS and INT FRS that are effective for the period beginning on 1 November 2015 does not have any significant effect on the financial performance or position of the Group and Company.

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.**

(Losses)/earnings per ordinary share for the period based on profit for the period attributable to owners of the Company:

	Group			
	Q4 FY2016 (cents)	Q4 FY2015 (cents)	YTD FY2016 (cents)	YTD FY2015 (cents)
(i) Based on weighted average number of ordinary shares in issue	(0.022)	0.039	(0.196)	0.065
(ii) On a fully diluted basis	(0.022)	0.039	(0.195)	0.065

Earnings per share for the quarter ended 31 October 2016

Basic earnings per share for Q4 FY2016 is calculated based on the loss attributable to owners of the Company of S\$209,000 (Q4 FY2015: profit attributable to owners of the Company of S\$366,000) and on 952,983,029 (Q4 FY2015: 945,483,029) weighted average number of ordinary shares in issue during the period.

Fully diluted earnings per share for Q4 FY2016 is calculated based on 957,483,029 (Q4 FY2015: 945,483,029) weighted average number of ordinary shares in issue during the period.

Earnings per share for the year ended 31 October 2016

Basic earnings per share for YTD FY2016 is calculated based on the loss attributable to owners of the Company of S\$1,867,000 (YTD FY2015: profit attributable to owners of the Company of S\$610,000) and on 952,983,029 (YTD FY2015: 941,685,964) weighted average number of ordinary shares in issue during the year.

Fully diluted earnings per share for YTD FY2016 is calculated based on 957,483,029 (YTD FY2015: 941,685,964) weighted average number of ordinary shares in issue during the year.

7. **Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-**
- (a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31 October 2016 (cents)	31 October 2015 (cents)	31 October 2016 (cents)	31 October 2015 (cents)
Net asset value per ordinary share at end of year	4.48	4.71	4.43	4.44

The Group's net asset value per ordinary share was calculated based on net assets attributable to owners of the Company of S\$42,694,000 (31 October 2015: S\$44,855,000) and 952,983,029 (31 October 2015: 952,983,029) ordinary shares.

The Company's net asset value per ordinary share was calculated based on net assets of S\$42,227,000 (31 October 2015: S\$42,291,000) and 952,983,029 (31 October 2015: 952,983,029) ordinary 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.

Statement of Comprehensive Income

	Group					
	Q4 FY2016 (S\$'000)	Q4 FY2015 (S\$'000)	% Change	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	% Change
Revenue						
Renewable Energy Segment	2,334	2,718	(14.1%)	9,600	10,766	(10.8%)
Resource Recovery Segment	11,402	13,783	(17.3%)	46,127	51,260	(10.0%)
Integrated Environmental Management Solutions Segment	525	95	452.6%	1,214	1,094	11.0%
Total	14,261	16,596	(14.1%)	56,941	63,120	(9.8%)

The Group's revenue for the fourth quarter ended 31 October 2016 ("Q4 FY2016") of S\$14.26 million was S\$2.34 million or 14.1% lower as compared to the corresponding period of last financial period ("Q4 FY2015"). The Group's revenue for the year ended 31 October 2016 ("YTD FY2016") of S\$56.94 million was S\$6.18 million or 9.8% lower as compared to the corresponding year of last financial year ("YTD FY2015").

The Q4 FY2016 revenue decreased by 14.1% mainly due to lower revenue recorded by the Group's resource recovery segment and the foreign exchange translation effect. The sales recorded by the Group's retreaded tyres business under Sunrich Integrated Sdn. Bhd. and its subsidiaries ("SRIT Group") and rubber compound business under ecoWise International Pte. Ltd. had decreased due to lower sales volume in Q4 FY2016 as compared to Q4 FY2015. The weakening of Malaysian Ringgit also contributed to the negative foreign exchange translation impact to the revenue in Q4 FY2016 as compared to Q4 FY2015.

YTD FY2016 revenue decreased by 9.8% mainly due to lower revenue recorded by the Group's renewable energy segment and resource recovery segment. There was a decrease in sales from the Group's renewable energy segment attributable to an unscheduled maintenance performed in February 2016 for the biomass co-generation power plant at Gardens by the Bay and there was also a decrease in tipping fees for the collection of tree and wood waste starting from Q2 FY2016. The decrease in sales from the Group's resource recovery segment was mainly attributable to lower sales recorded by the Group's retreaded tyres business under SRIT Group and the foreign exchange translation effect caused by the weaker Malaysian Ringgit in YTD FY2016 as compared to YTD FY2015.

The Group's gross profit margin of 22.6% for Q4 FY2016 was lower compared to 23.2% in Q4 FY2015. This was mainly due to lower revenue from the Group's resource recovery segment from the sale of rubber compounds and retreaded tyres, slightly offset by lower depreciation expenses charged by the Group's renewable energy segment as a result of the change of depreciation calculation for the reinstatement cost and plant and equipment due to the lease extension in Sungei Kadut in Q4 FY2016.

The Group's gross profit margin of 20.1% in YTD FY2016 was lower compared to 22.2% in YTD FY2015. This was mainly due to lower sales volume resulting in overall higher production cost per unit.

The Group's gross profit of S\$3.22 million in Q4 FY2016 and S\$11.46 million in YTD FY2016 were lower as compared to S\$3.84 million in Q4 FY2015 and S\$14.02 million in YTD FY2015. This was mainly attributable to the decrease in sales from the Group's renewable energy segment due to the unscheduled maintenance performed in February 2016 for the biomass co-generation power plant at Gardens by the Bay, overall higher depreciation expenses due to the new advance rubber compound mixing plant and building, overall production cost declining slower than the decrease in sales of the Group, and the foreign exchange translation effect caused by the weakening of Malaysian Ringgit.

Other gains decreased by S\$0.24 million in Q4 FY2016 mainly due to lower foreign exchange gains of S\$0.17 million, lower doubtful debts recovered of S\$0.01 million, absence of a waiver of interest of S\$0.04 million, absence of gain on disposal of plant and equipment of S\$0.01 million and absence of gain on financial derivative of S\$0.01 million in Q4 FY2016.

Other gains decreased by S\$0.53 million to S\$0.27 million in YTD FY2016 mainly due to the absence of forfeited deposit from a potential investor of S\$0.07 million, waiver of interest of S\$0.04 million, foreign exchange gains of S\$0.47 million, gains on disposal of plant and equipment of S\$0.04 million, gains from derivative financial instruments of S\$0.03 million and lower reversal of doubtful debts of S\$0.02 million in YTD FY2016, partially offset by absence of bad debts recovered of S\$0.08 million and higher government grant income of S\$0.06 million in YTD FY2015.

Marketing and distribution expenses decreased by 11.1% to S\$0.69 million in Q4 FY2016 mainly due to lower advertising expenses, commission, petrol expenses and travelling expenses. The lower petrol expenses were mainly due to lower petrol prices.

Marketing and distribution expenses decreased by 11.0% to S\$2.94 million in YTD FY2016 mainly due to lower petrol expenses, commission, upkeep of motor vehicles, depreciation, travelling expenses and advertising expenses. The lower petrol expenses were mainly due to lower petrol prices.

Administrative expenses increased by 11.1% to S\$2.36 million in Q4 FY2016 mainly due to increase in manpower cost, depreciation expenses, travelling expenses and equity-settled share-based expenses.

Administrative expenses increased by 4.5% to S\$8.06 million in YTD FY2016 mainly due to increase in manpower cost attributable to higher headcount, depreciation expenses and travelling expenses partially offset by lower legal and professional fees, listing expenses, operating lease expenses and equity-settled share-based expenses.

Depreciation expenses decreased by 22.2% to S\$0.60 million in Q4 FY2016 mainly due to overall lower depreciable assets attributable to the Group's renewable energy segment due to the change of depreciation calculation for the reinstatement cost and plant and equipment as a result of the lease extension in Sungei Kadut in Q4 FY2016.

Depreciation expenses decreased by 1.54% to S\$2.74 million in YTD FY2016 mainly due to the Group's renewable energy segment's change of depreciation calculation for the reinstatement cost and plant and equipment as a result of the lease extension in Sungei Kadut in Q4 FY2016, partially offset by higher depreciable assets (new advance rubber compound mixing plant and building which was commissioned at the end of Q2 FY2015) attributable to the Group's resource recovery segment.

Finance costs decreased by 9.3% in Q4 FY2016 and 3.2% in YTD FY2016 to S\$0.28 million in Q4 FY2016 and S\$1.16 million in YTD FY2016 mainly due to lower loans and borrowings in the Group's resource recovery segment and ecoWise Holdings Limited.

Other losses decreased by S\$0.24 million to S\$0.19 million in Q4 FY2016 mainly due to higher foreign exchange gains of S\$0.24 million and absence of impairment losses on assets held for sale (net) of S\$0.01 million in Q4 FY2016, partially offset by lower doubtful debts recovered of S\$0.01 million in Q4 FY2016.

Share of losses from associates and jointly-controlled entity of S\$0.25 million in Q4 FY2016 and S\$1.14 million in YTD FY2016 was mainly due to the Group's share of losses incurred by Chongqing eco-CTIG Rubber Technology Co. Ltd., Geocycle Singapore Pte. Ltd. and China-UK Low Carbon Enterprise Co. Ltd.

The Group recorded loss before tax of S\$0.15 million in Q4 FY2016 as compared to profit before tax of S\$0.56 million in Q4 FY2015 mainly due to lower revenue and higher administrative expenses.

The Group recorded loss before tax of S\$1.79 million in YTD FY2016 as compared to profit before tax of S\$1.56 million in YTD FY2015 mainly due to lower revenue, share of losses from associates and jointly-controlled entity and higher administrative expenses.

The Group recorded income tax expense of S\$0.08 million in Q4 FY2016 and S\$0.02 million in YTD FY2016 as compared to income tax expense of S\$0.10 million in Q4 FY2015 and S\$0.66 in YTD FY2015, mainly due to taxation charges from taxable profit and partially offset with deferred tax assets of the Group's resources recovery segment and renewable energy segment.

As a result of the above factors, the Group recorded a loss of S\$0.23 million in Q4 FY2016 as compared to a profit of S\$0.46 million in Q4 FY2015 and a loss of S\$1.81 million in YTD FY2016 as compared to a profit of S\$0.90 million in YTD FY2015.

Statement of Financial Position

The Group's non-current assets increased by 0.98% or S\$0.47 million to S\$48.6 million as at 31 October 2016.

The Group's property, plant and equipment increased by S\$1.17 million to S\$24.96 million as at 31 October 2016 mainly attributable to the reclassification of assets held for sale to property, plant and equipment of S\$2.71 million, acquisition of plant and equipment of S\$1.11 million and movements in foreign exchange rates gain of S\$0.15 million partially offset by depreciation charges of S\$2.74 million and disposal of plant and equipment of S\$0.06 million.

Investments in associates and jointly-controlled entity collectively decreased by S\$1.74 million mainly attributable to the Group's share of losses from associates and jointly-controlled entity of S\$1.14 million and the effects of movements in foreign exchange rates loss of S\$0.60 million.

Total non-current and current finance lease receivables decreased from S\$12.57 million as at 31 October 2015 to S\$11.96 million as at 31 October 2016 is mainly attributable to billings to and collections from customer. Finance lease receivables as at 31 October 2016 is mainly attributable to the Group's investment in biomass co-generation power plant at Gardens by the Bay which is accounted for as a finance lease.

Other assets in non-current assets increased due to the reclassification of assets held for sale.

The Group's current assets decreased by S\$5.35 million to S\$35.22 million as at 31 October 2016 mainly due to decreases in trade and other receivables by S\$0.78 million, inventories by S\$0.48 million, reclassification of assets held for sale by S\$5.07 million, derivative financial instruments by S\$0.04 million partially offset by increased cash and cash equivalents by S\$0.44 million, other assets of S\$0.45 million, income tax receivables of S\$0.06 million and finance lease receivables of \$0.07 million.

The decrease in trade and other receivables of S\$0.78 million was mainly attributable to lower revenue and improved collections in YTD FY2016 under the Group's resource recovery segment, partially offset by effects of movements in foreign exchange rates gain as at 31 October 2016 as compared with 31 October 2015. The increase in other assets were mainly due to deposits and prepayments.

The Group's non-current liabilities decreased by S\$2.07 million mainly due to the transfer of loans due within the next 12 months from non-current liabilities to current liabilities and repayments of loans and borrowings.

The Group's current liabilities decreased by S\$0.60 million to S\$26.27 million as at 31 October 2016 mainly due to decrease in loans and borrowings by S\$1.36 million, income tax payable by S\$0.46 million, reclassification of assets held for sale by S\$2.03 million, derivative financial instruments by S\$0.05 million, partially offset with increase in trade and other payables by S\$3.16 million and deferred income by S\$0.14 million.

The Group's total loans and borrowings decreased by S\$3.40 million mainly due to repayment of loans and borrowings of S\$4.76 million, partially offset by effects of movements in foreign exchange rates loss of S\$0.34 million and increase in bank overdraft of S\$1.02 million.

Statement of Cash Flow

For the year ended 31 October 2016

The Group's cash and cash equivalents decreased by S\$1.14 million in YTD FY2016 mainly due to net positive cash flow from operating activities of S\$6.38 million, net cash flow used in investing activities of S\$0.86 million and net cash flow used in financing activities of S\$6.66 million.

Net cash flows from operating activities for Q4 FY2016 and YTD FY2016 were S\$3.17 million and S\$6.38 million respectively, higher compared to corresponding periods Q4 FY2015 and YTD FY2015, mainly attributable to an increase in trade and other payables. In YTD FY2016, inventories and trade and other receivables decreased due to the reduction in inventory holding period and improved collection of receivables from customers respectively.

Cash flow used in investing activities of S\$0.86 million comprised mainly the Group's capital expenditure on property, plant and equipment amounting to S\$0.96 million and acquisition of non-controlling interests amounting to S\$0.02 million in YTD FY2016, offset by interest income received from finance lease receivables amounting to S\$0.05 million, repayment from a jointly-controlled entity amounting to S\$0.05 million and proceeds from disposal of property, plant and equipment amounting to S\$0.02 million. The Group's capital expenditure in its resources recovery segment and renewable energy segment.

Cash flow used in financing activities of S\$6.66 million comprised mainly repayments of loans and borrowings of S\$4.76 million, finance costs of S\$1.13 million, dividends paid to non-controlling interest of subsidiaries of S\$0.25 million and increase in restricted cash of S\$0.52 million.

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

Not applicable.

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.**

Resource Recovery segment

The Group's rubber compound, new and retreaded tyres business under SRIT Group continues to face challenging market conditions due to economic and market uncertainties of both raw material and product and foreign currency fluctuations, in particular that of the Malaysian Ringgit.

Renewable Energy segment

The Group expects continuous supply and stable consumption of energy by Gardens by the Bay from its biomass co-generation power plant under the design, build and operate agreement.

The waste steam applications for drying of spent grains and heating of ISO tankers businesses from the Group's biomass co-generation power plant at Sungei Kadut are expected to remain stable.

The Group's current plan is to retain the assets of Hivern Investments Pte. Ltd and its subsidiary, followed by prudent evaluation of the options available.

11. **Dividend**

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

Any dividend declared for the current financial period reported on?

None.

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

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

None.

(c) **Date payable**

None.

(d) **Books closure date**

None.

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

No dividend has been declared or recommended for the quarter and year ended 31 October 2016.

13. **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 has not obtained a general IPT mandate.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Confirmations by the Board pursuant to Rule 705(5)

Not applicable.

15. Segmental 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 immediately preceding year.

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Elimination</u>		<u>Group</u>	
	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Revenue										
Revenue from External Customers	9,600	10,766	46,127	51,260	1,214	1,094	-	-	56,941	63,120
Inter-Segment Revenue	601	628	1,934	1,813	212	327	(2,747)	(2,768)	-	-
Segment Revenue	10,201	11,394	48,061	53,073	1,426	1,421	(2,747)	(2,768)	56,941	63,120
Segment Results Before Allocation of Corporate Management Fees	1,001	2,597	2,303	3,740	333	(1)	(2,935)	(2,590)	702	3,746
Allocated Corporate Management Fees	(1,489)	(1,285)	(1,446)	(1,305)	-	-	2,935	2,590	-	-
Segment Results	(488)	1,312	857	2,435	333	(1)	-	-	702	3,746
Share Of Results from Associates and Jointly-Controlled Entity, Allocated to Operating Segments	(36)	(23)	(1,104)	(831)	-	-	-	-	(1,140)	(854)
Unallocated Corporate Results									(238)	(193)
(Loss)/Profit Before Finance Income, Dividend Income, Finance Costs and Income Tax Expense									(676)	2,699
Finance Income									46	59
Finance Costs									(1,161)	(1,199)
Income Tax Expense									(20)	(655)
(Loss)/Profit, Net of Tax for the Year									(1,811)	904

15. Financial Information by Operating Segments (Continued)

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Elimination</u>		<u>Group</u>	
	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)
Segment Assets	27,622	24,431	53,950	53,815	8,040	7,214	(13,696)	(6,774)	75,916	78,686
Investments in Associates, Allocated to Operating Segments	3,921	4,280	(95)	247	-	-	-	-	3,826	4,527
Investments in a Jointly-Controlled Entity, Allocated to Operating Segments	-	-	2,520	3,558	-	-	-	-	2,520	3,558
Deferred Tax Assets									166	158
Unallocated Corporate Assets									1,376	1,754
Total Assets									83,804	88,683
Segment Liabilities	15,561	18,062	9,921	10,901	6,694	5,505	(18,754)	(22,164)	13,422	12,304
Loans and Borrowings										
- Allocated to Operating Segments	7,196	9,079	12,203	12,893	-	-	-	-	19,399	21,972
- Unallocated Corporate Loans and Borrowings									2,234	3,055
Income Tax Payable									54	520
Deferred Tax Liabilities									2,138	2,226
Unallocated Corporate Liabilities									1,177	1,019
Total Liabilities									38,424	41,096
	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)
Capital Expenditure										
- Allocated to Operating Segments	297	715	653	2,451	72	32	-	-	1,022	3,198
- Unallocated Corporate Capital Expenditure									63	6
Total Capital Expenditure									1,085	3,204

15. **Financial Information by Operating Segments (Continued)**
Other Material Items

<u>Group</u>	<u>Renewable Energy</u>		<u>Resource Recovery</u>		<u>Integrated Environmental Management Solutions</u>		<u>Elimination</u>		<u>Group</u>	
	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD	YTD
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
Depreciation of Property, Plant and Equipment										
Allocated to Operating Segments	786	1,030	1,851	1,657	22	22	-	-	2,659	2,709
Unallocated Corporate Depreciation									82	75
Total Depreciation of Property, Plant and Equipment									2,741	2,784
Loss/(Gain) on Disposal of Property, Plant and Equipment	10	(12)	3	(31)	-	1	-	-	13	(42)
Impairment Loss on Assets Held for Sale – Made	-	7,456	-	-	-	-	-	-	-	7,456
Extinguishment of Liabilities	-	(7,217)	-	-	-	-	-	-	-	(7,217)
Amortisation of Intangible Assets	-	-	86	92	-	-	-	-	86	92
Amortisation of Land Use Rights	138	25	-	-	-	-	-	-	138	25
Net Fair Value Loss/(Gain) on Derivative Financial Instruments	-	-	80	(31)	-	-	-	-	80	(31)
Provision for Retirement Benefit Obligations Expenses, (Net)	-	-	39	43	-	-	-	-	39	43
Amortisation of Deferred Income	(1)	(6)	(7)	(9)	-	-	-	-	(8)	(15)
Allowance for Inventory Obsolescence – (Reversed)/Made	(46)	41	(27)	(14)	-	-	-	-	(73)	27
Allowance for Doubtful Receivables – Made/(Reversed)	(16)	12	23	(32)	-	-	-	-	7	(20)

15. **Financial Information by Operating Segments (Continued)**

In presenting information based on geographical segments, segment revenue is based on geographical location of the customers and segment assets are based on geographical location of the assets.

	<u>Revenue</u>		<u>Non-Current Assets</u>	
	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	31 October 2016 (S\$'000)	31 October 2015 (S\$'000)
Singapore	16,050	17,889	6,331	4,432
Malaysia	31,437	35,266	20,028	20,860
Australia	6,622	7,019	-	-
People's Republic of China	172	221	9,128	9,053
Others	2,660	2,725	-	-
	<u>56,941</u>	<u>63,120</u>	<u>35,487</u>	<u>34,345</u>

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

Please refer to paragraph 8.

17. **A breakdown of sales.**

	Group		
	YTD FY2016 (S\$'000)	YTD FY2015 (S\$'000)	Increase / (Decrease) %
Sales reported for the first half year	28,790	30,581	(5.9%)
Operating loss after tax before deducting non-controlling interests reported for the first half year	(1,572)	(35)	4,391.4%
Sales reported for the second half year	28,151	32,539	(13.5%)
Operating (loss)/profit after tax before deducting non-controlling interests reported for the second half year	(239)	939	n/m

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

No dividends were proposed/declared for the year ended 31 October 2016 and 31 October 2015.

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

The Company confirms that there is no person occupying a managerial position in the Company or any of its principal subsidiaries who is related to a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Lee Thiam Seng
Director

Low Kian Beng
Director

29 December 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte Ltd (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this document, 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 Bernard Lui
Telephone number: (65) 6389 3000
Email address: bernard.lui@morganlewis.com*