

**Financial Statements and Related Announcement::Full Yearly Results****Issuer & Securities**

<b>Issuer/ Manager</b>	UPP HOLDINGS LIMITED
<b>Securities</b>	UPP HOLDINGS LIMITED - SG1K55001665 - U09
<b>Stapled Security</b>	No

**Announcement Details**

<b>Announcement Title</b>	Financial Statements and Related Announcement
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<b>Submitted By (Co./ Ind. Name)</b>	Koh Wan Kai
<b>Designation</b>	Executive Director
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	Please see the attachment.

**Additional Details**

<b>For Financial Period Ended</b>	31/12/2016
<b>Attachments</b>	<a href="#">U\UPP4QFY2016ResultsAnnouncement.pdf</a> Total size =418K



**Unaudited Financial Statement And Dividend Announcement for the Fourth Quarter and Full Year Ended 31 December 2016**

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

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

1(a)(i) Statement of comprehensive income for the fourth quarter and full year ended 31 December 2016

		Group					
	Note	4 <sup>th</sup> quarter ended 31 December 2016	4 <sup>th</sup> quarter ended 31 December 2015	Increase / (decrease)	Full year ended 31 December 2016	Full year ended 31 December 2015	Increase / (decrease)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	(a)	16,299	14,828	10	63,347	61,103	4
Cost of sales	(b)	(11,991)	(10,302)	16	(44,677)	(43,559)	3
<b>Gross profit</b>		4,308	4,526	(5)	18,670	17,544	6
Other income/(losses), net		3,655	(110)	nm	2,101	3,203	(34)
Selling and distribution expenses		(462)	(487)	(5)	(1,781)	(2,083)	(15)
General and administrative expenses		(1,876)	(1,618)	16	(5,842)	(5,405)	8
Finance expenses		(1)	(1)	-	(4)	(4)	-
<b>Profit before income tax</b>		5,624	2,310	143	13,144	13,255	(1)
Income tax expense		(4)	(7)	(43)	(16)	(14)	14
<b>Net profit</b>	(c)	5,620	2,303	144	13,128	13,241	(1)
<b>Other comprehensive income/(loss):</b>							
<b>Items that may be reclassified subsequently to profit or loss:</b>							
Available-for-sale financial assets							
- Fair value changes		(154)	-	nm	637	-	nm
Currency translation differences arising from consolidation		1,261	993	27	(113)	(8,252)	(99)
<b>Other comprehensive income/(loss), net of tax</b>		1,107	993	11	524	(8,252)	nm
<b>Total comprehensive income</b>		6,727	3,296	104	13,652	4,989	174
<b>Profit attributable to:</b>							
Equity holders of the Company		5,464	2,179	151	12,563	12,785	(2)
Non-controlling interests		156	124	26	565	456	24
		5,620	2,303	144	13,128	13,241	(1)
<b>Total comprehensive income attributable to:</b>							
Equity holders of the Company		6,683	3,079	117	13,190	5,595	136
Non-controlling interests		44	217	(80)	462	(606)	nm
		6,727	3,296	104	13,652	4,989	174

**Footnotes:**

(a) Revenue comprises the following:

	Group					
	4 <sup>th</sup> quarter ended 31 December 2016	4 <sup>th</sup> quarter ended 31 December 2015	Increase / (decrease)	Full year ended 31 December 2016	Full year ended 31 December 2015	Increase / (decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Sales of goods	13,126	11,763	12	50,048	49,157	2
Finance income	1,597	1,674	(5)	6,374	6,784	(6)
Operating and maintenance income	1,576	1,391	13	6,925	5,162	34
	16,299	14,828	10	63,347	61,103	4

(b) The cost of sales includes the following:

	Group					
	4 <sup>th</sup> quarter ended 31 December 2016	4 <sup>th</sup> quarter ended 31 December 2015	Increase / (decrease)	Full year ended 31 December 2016	Full year ended 31 December 2015	Increase / (decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Cost of goods sold	10,923	9,402	16	39,957	39,979	-
Operating and maintenance fees	848	684	24	3,852	2,748	40
Others	220	216	2	868	832	4
	11,991	10,302	16	44,677	43,559	3

(c) Profit for the period/year included the following:

	Group					
	4 <sup>th</sup> quarter ended 31 December 2016	4 <sup>th</sup> quarter ended 31 December 2015	Increase / (decrease)	Full year ended 31 December 2016	Full year ended 31 December 2015	Increase / (decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Depreciation	(618)	(610)	1	(2,550)	(2,587)	(1)
Gain on disposal of property, plant and equipment	48	-	nm	52	52	-
Bad debts recovered/(written off)	15	-	nm	15	(9)	nm
(Allowance for)/reversal of impairment of trade receivables	-	(197)	nm	67	(615)	nm
Foreign exchange gain/(loss), net	3,141	(21)	nm	1,145	3,360	(66)
Dividend income	115	-	nm	115	-	nm
Interest income	133	103	29	480	370	30
Interest expense	(1)	(1)	-	(4)	(4)	-

nm - not meaningful

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

	Group		Company	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non-current Assets</b>				
Property, plant and equipment	47,195	50,353	77	167
Investments in subsidiary corporations	-	-	15,694	15,694
Available-for-sale financial assets	3,458	-	-	-
Service concession receivables*	38,109	41,867	-	-
Other receivables	-	-	22,609	26,513
<b>Total Non-current Assets</b>	<b>88,762</b>	<b>92,220</b>	<b>38,380</b>	<b>42,374</b>
<b>Current Assets</b>				
Inventories	5,282	5,438	-	-
Service concession receivables*	17,219	16,827	-	-
Trade receivables	12,211	11,245	113	45
Other receivables	787	392	53,511	57,567
Prepaid operating expenses	165	213	22	17
Cash and cash equivalents	57,184	54,893	51,473	47,212
	92,848	89,008	105,119	104,841
Assets held-for-sale	8,494	7,742	-	-
<b>Total Current Assets</b>	<b>101,342</b>	<b>96,750</b>	<b>105,119</b>	<b>104,841</b>
<b>Current Liabilities</b>				
Trade payables and accruals	(5,389)	(4,800)	(833)	(758)
Other payables	(288)	(51)	(78)	(46)
<b>Total Current Liabilities</b>	<b>(5,677)</b>	<b>(4,851)</b>	<b>(911)</b>	<b>(804)</b>
<b>Net Current Assets</b>	<b>95,665</b>	<b>91,899</b>	<b>104,208</b>	<b>104,037</b>
<b>Non-current Liabilities</b>				
Deferred income tax liabilities	(685)	(685)	-	-
<b>Total Non-current Liabilities</b>	<b>(685)</b>	<b>(685)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>183,742</b>	<b>183,434</b>	<b>142,588</b>	<b>146,411</b>
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital	140,578	140,578	140,578	140,578
Retained profits	55,168	55,155	1,936	5,759
Other reserves	(16,949)	(17,576)	74	74
	178,797	178,157	142,588	146,411
<b>Non-controlling interests</b>	4,945	5,277	-	-
<b>Total Equity</b>	<b>183,742</b>	<b>183,434</b>	<b>142,588</b>	<b>146,411</b>

\* The Group recognised service concession receivables as it has a contractual right under the concession agreement to receive a fixed and determinable amount of payments during the concession period irrespective of the usage of the plant. The service concession receivables are measured on initial recognition at its fair value. Subsequent to initial recognition, the service concession receivables are measured at amortised cost using the effective interest rate method.

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

**(a) Amount repayable in one year or less, or on demand**

<b>As at 31/12/2016</b>		<b>As at 31/12/2015</b>	
<b>S\$'000</b>		<b>S\$'000</b>	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**(b) Amount repayable after one year**

<b>As at 31/12/2016</b>		<b>As at 31/12/2015</b>	
<b>S\$'000</b>		<b>S\$'000</b>	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

**(c) Details of any collaterals**

Not applicable.

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

	4 <sup>th</sup> quarter ended 31 December 2016	4 <sup>th</sup> quarter ended 31 December 2015	Full year ended 31 December 2016	Full year ended 31 December 2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	5,624	2,310	13,144	13,255
Adjustments for:				
Depreciation	618	610	2,550	2,587
Gain on disposal of property, plant and equipment	(48)	-	(52)	(52)
Bad debts (recovered)/written off	(15)	-	(15)	9
Allowance for/(reversal of) impairment of trade receivables	-	197	(67)	615
Finance income	(1,597)	(1,674)	(6,374)	(6,784)
Dividend income from available-for-sale financial assets	(115)	-	(115)	-
Interest income	(133)	(103)	(480)	(370)
Interest expenses	1	1	4	4
Unrealised currency translation (gains)/losses	(3,225)	639	(1,543)	(5,012)
Operating cash flows before working capital changes	1,110	1,980	7,052	4,252
Changes in working capital				
Inventories	938	(144)	156	3,722
Service concession receivables	3,005	1,636	11,144	11,669
Trade receivables	(1,501)	(997)	(884)	(309)
Other receivables	(195)	10	(224)	281
Prepaid operating expenses	79	216	48	46
Trade payables and accruals	270	(42)	591	(976)
Other payables	226	7	237	(83)
Cash generated from operations	3,932	2,666	18,120	18,602
Interest received	90	62	309	227
Interest paid	(1)	(1)	(4)	(4)
Income tax paid	(4)	(7)	(16)	(14)
<b>Net cash provided by operating activities</b>	<b>4,017</b>	<b>2,720</b>	<b>18,409</b>	<b>18,811</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(197)	(88)	(1,173)	(1,196)
Proceeds from disposal of property, plant and equipment	51	-	55	78
Dividend income from available-for-sale financial assets	115	-	115	-
Purchase of available-for-sale financial assets	-	-	(2,821)	-
<b>Net cash used in investing activities</b>	<b>(31)</b>	<b>(88)</b>	<b>(3,824)</b>	<b>(1,118)</b>
<b>Cash flows from financing activities</b>				
Dividend paid to equity holders of the Company	-	-	(12,550)	(4,183)
Dividend paid by a subsidiary corporation to non-controlling interest	(396)	-	(794)	-
<b>Net cash used in financing activities</b>	<b>(396)</b>	<b>-</b>	<b>(13,344)</b>	<b>(4,183)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,590</b>	<b>2,632</b>	<b>1,241</b>	<b>13,510</b>
<b>Cash and cash equivalents at beginning of period/year</b>	<b>51,336</b>	<b>52,448</b>	<b>54,893</b>	<b>40,824</b>
<b>Effects of currency translation on cash and cash equivalents</b>	<b>2,258</b>	<b>(187)</b>	<b>1,050</b>	<b>559</b>
<b>Cash and cash equivalents at end of period/year</b>	<b>57,184</b>	<b>54,893</b>	<b>57,184</b>	<b>54,893</b>

- 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

## THE GROUP

### Consolidated statement of changes in equity for the year ended 31 December 2016

	Share capital	Retained profits	Capital reserve	Foreign currency translation reserve	Fair value reserve	Total other reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>9M 2016</b>								
<b>Balance at 1 January 2016</b>	<b>140,578</b>	<b>55,155</b>	<b>712</b>	<b>(18,288)</b>	<b>-</b>	<b>(17,576)</b>	<b>5,277</b>	<b>183,434</b>
Profit for the period	-	7,099	-	-	-	-	409	7,508
Other comprehensive loss for the period	-	-	-	(1,383)	791	(592)	9	(583)
Total comprehensive income for the period	-	7,099	-	(1,383)	791	(592)	418	6,925
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	(398)	(398)
Dividend relating to 2015 paid	-	(8,367)	-	-	-	-	-	(8,367)
Dividend relating to 2016 paid	-	(4,183)	-	-	-	-	-	(4,183)
<b>Balance at 30 September 2016</b>	<b>140,578</b>	<b>49,704</b>	<b>712</b>	<b>(19,671)</b>	<b>791</b>	<b>(18,168)</b>	<b>5,297</b>	<b>177,411</b>
<b>4Q 2016</b>								
Profit for the period	-	5,464	-	-	-	-	156	5,620
Other comprehensive income for the period	-	-	-	1,373	(154)	1,219	(112)	1,107
Total comprehensive income for the period	-	5,464	-	1,373	(154)	1,219	44	6,727
Dividend paid to non-controlling shareholders	-	-	-	-	-	-	(396)	(396)
<b>Balance at 31 December 2016</b>	<b>140,578</b>	<b>55,168</b>	<b>712</b>	<b>(18,298)</b>	<b>637</b>	<b>(16,949)</b>	<b>4,945</b>	<b>183,742</b>

### Consolidated statement of changes in equity for the year ended 31 December 2015

	Share capital	Retained profits	Capital reserve	Foreign currency translation reserve	Fair value reserve	Total other reserves	Non-controlling interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>9M 2015</b>								
<b>Balance at 1 January 2015</b>	<b>140,578</b>	<b>46,553</b>	<b>712</b>	<b>(11,098)</b>	<b>-</b>	<b>(10,386)</b>	<b>5,883</b>	<b>182,628</b>
Profit for the period	-	10,606	-	-	-	-	332	10,938
Other comprehensive loss for the period	-	-	-	(8,090)	-	(8,090)	(1,155)	(9,245)
Total comprehensive income for the period	-	10,606	-	(8,090)	-	(8,090)	(823)	1,693
Dividend relating to 2014 paid	-	(4,183)	-	-	-	-	-	(4,183)
<b>Balance at 30 September 2015</b>	<b>140,578</b>	<b>52,976</b>	<b>712</b>	<b>(19,188)</b>	<b>-</b>	<b>(18,476)</b>	<b>5,060</b>	<b>180,138</b>
<b>4Q 2015</b>								
Profit for the period	-	2,179	-	-	-	-	124	2,303
Other comprehensive income for the period	-	-	-	900	-	900	93	993
Total comprehensive income for the period	-	2,179	-	900	-	900	217	3,296
<b>Balance at 31 December 2015</b>	<b>140,578</b>	<b>55,155</b>	<b>712</b>	<b>(18,288)</b>	<b>-</b>	<b>(17,576)</b>	<b>5,277</b>	<b>183,434</b>

**THE COMPANY**

**Statement of changes in equity for the year ended 31 December 2016**

	Share capital	Retained profits	Capital reserve	Total other reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>9M 2016</b>					
<b>Balance at 1 January 2016</b>	<b>140,578</b>	<b>5,759</b>	<b>74</b>	<b>74</b>	<b>146,411</b>
Total comprehensive loss for the period	-	(3,311)	-	-	(3,311)
Dividend relating to 2015 paid	-	(8,367)	-	-	(8,367)
Dividend relating to 2016 paid	-	(4,183)	-	-	(4,183)
<b>Balance at 30 September 2016</b>	<b>140,578</b>	<b>(10,102)</b>	<b>74</b>	<b>74</b>	<b>130,550</b>
<b>4Q 2016</b>					
Total comprehensive income for the period	-	12,038	-	-	12,038
<b>Balance at 31 December 2016</b>	<b>140,578</b>	<b>1,936</b>	<b>74</b>	<b>74</b>	<b>142,588</b>

**Statement of changes in equity for the year ended 31 December 2015**

	Share capital	Retained profits	Capital reserve	Total other reserves	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>9M 2015</b>					
<b>Balance at 1 January 2015</b>	<b>140,578</b>	<b>(149)</b>	<b>74</b>	<b>74</b>	<b>140,503</b>
Total comprehensive income for the period	-	5,375	-	-	5,375
Dividend relating to 2014 paid	-	(4,183)	-	-	(4,183)
<b>Balance at 30 September 2015</b>	<b>140,578</b>	<b>1,043</b>	<b>74</b>	<b>74</b>	<b>141,695</b>
<b>4Q 2015</b>					
Total comprehensive income for the period	-	4,716	-	-	4,716
<b>Balance at 31 December 2015</b>	<b>140,578</b>	<b>5,759</b>	<b>74</b>	<b>74</b>	<b>146,411</b>



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

There were no changes in the Company's share capital for the fourth quarter ended 31 December 2016.

The Company has no outstanding convertibles and does not hold any treasury shares as at 31 December 2016 and 31 December 2015.

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

	<b>Company</b>	
	<u>31.12.2016</u>	<u>31.12.2015</u>
Number of issued shares	836,667,121	836,667,121

The Company did not hold any treasury shares as at 31 December 2016 and 31 December 2015.

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

Not applicable.

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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable.

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

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with those used in the audited financial statements for the year ended 31 December 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("**FRS**") and Interpretations of FRS ("**INT FRS**") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016.

The adoption of the new and revised FRSs and INT FRSs 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 period.

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.**

				<b>Group</b>			
				4 <sup>th</sup> quarter ended 31 December 2016	4 <sup>th</sup> quarter ended 31 December 2015	Full year ended 31 December 2016	Full year ended 31 December 2015
Earnings per ordinary share for the period based on profit attributable to equity holders of the Company							
(i)	Based on weighted average number of ordinary shares on issue	S\$ cents		0.65	0.26	1.50	1.53
(ii)	On a fully diluted basis	S\$ cents		0.65	0.26	1.50	1.53

The above earnings per share is calculated based on the Group's profit after tax with total number of ordinary shares in issue of 836,667,121 (2015: 836,667,121) during the respective financial periods.

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

Net asset value per ordinary share based on existing issued share capital as at the end of the period reported on

		31 December 2016	31 December 2015
The Group	S\$ cents	21.37	21.29
The Company	S\$ cents	17.04	17.50

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.**

**(a) Review of Statement of comprehensive income**

4<sup>th</sup> quarter ended 31 December 2016 ("4Q2016") Vs 4<sup>th</sup> quarter ended 31 December 2015 ("4Q2015")

The Group recorded revenue of S\$16.3 million and gross profit of S\$4.3 million for 4Q2016, an increase of 10% in revenue but a decrease of 5% in gross profit against last year's corresponding period. The contribution to revenue and gross profit by paper mill business and power plant business remained comparable with 4Q2015.

Revenue from the paper mill business in the current quarter increased by 12% to S\$13.1 million whereas the gross profit margin ("GPM") for the current quarter decreased from 20.1% to 16.8% on a year-on-year basis. The decrease in GPM was mainly due to higher raw material cost.

The increase in operating and maintenance income was mainly due to higher volume of electrical energy take-up by Electric Power Generation Enterprise ("EPGE") (previously known as Myanma Electric Power Enterprise). Gross profit from power plant business is fairly consistent with previous corresponding period.

Other income (net) mainly consisted of foreign exchange gain of S\$3.1 million (4Q2015: loss of S\$21k) arose mainly from the translation of USD denominated bank balances and receivables.

Excluding the effects of foreign exchange difference as mentioned above, the Group would have reported a net profit of S\$2.5 million for 4Q2016, a slight increase as compared with S\$2.3 million for 4Q2015.

12 months ended 31 December 2016 ("12M2016") Vs 12 months ended 31 December 2015 ("12M2015")

The Group's revenue of S\$63.3 million and gross profit of S\$18.7 million for 12M2016 were slightly higher as compared with 12M2015. The contribution to revenue and gross profit by paper mill business and power plant business remained comparable with 12M2015.

Revenue from the paper mill business for 12M2016 was fairly consistent with 12M2015 whereas gross profit margin was increased from 18.7% to 20.2% on a year-on-year basis. The improvement was mainly due to the Group's continuing efforts in improving production efficiencies and effective costs control.

The increase in operating and maintenance income was mainly due to higher volume of electrical energy take-up by EPGE. Gross profit from power plant business is fairly consistent with previous corresponding period.

Other income (net) of S\$2.1 million for 12M2016 was mainly derived from a foreign exchange gain of S\$1.1 million (12M2015: S\$3.4 million) that arose from the translation of USD denominated bank balances and receivables.

For the 12M2016, the Group achieved a cumulative net profit of S\$13.1 million. Excluding the effects of foreign exchange gain as mentioned above, the Group's net profit would have increased by S\$2.1 million or 21%, mainly due to better performance of both the paper mill and power plant businesses.

**(b) (i) Review of Statement of Financial Position**

The Group's long-term and short-term "service concession receivables" relates to the Ywama gas-fired electricity generating power plant. The Group recognised the consideration receivables as financial receivables in accordance with INT FRS 112. The decrease was mainly due to payment received during the current period being partially offset by the accrued finance income which represents the interest income on the service concession receivables recognised using the effective interest method.

Total Group's current assets increased by S\$4.6 million from S\$96.7 million as at 31 December 2015 to S\$101.3 million as at 31 December 2016. The increase was mainly due to higher cash inflows generated from operations and reclassification of property, plant and equipment with book value of S\$0.8 million from non-current assets to assets held-for-sale.

The Group's net current assets remain healthy at S\$95.7 million. Total equity of the Group as at 31 December 2016 was S\$183.7 million.

**(b) (ii) Review of Statement of Cash Flows**

4<sup>th</sup> quarter ended 31 December 2016 (“4Q2016”)

For the 4Q2016, the net increase in cash and cash equivalents was S\$3.6 million. Net cash generated from operating activities for 4Q2016 was S\$4.0 million as compared to S\$2.7 million for the same corresponding quarter last year. The increase was mainly due to higher profit generated from operations in the current quarter.

12 months ended 31 December 2016 (“12M2016”)

For 12M2016, the net cash generated from operating activities was S\$18.4 million whereas the net cash used in financing activities for dividend payment was S\$13.3 million and net cash used in investing activities for purchase of quoted shares and plant and equipment was S\$3.8 million in total.

As at 31 December 2016, the Group has cash and cash equivalents amounted to S\$57.2 million. This was 4% or S\$2.3 million higher (after taken into the effects of currency translation on cash and cash equivalents) compared to that as at 31 December 2015.

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

No forecast was previously provided.

**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.**

**Outlook**

The global economic outlook remains uncertain and the volatility in exchange rates versus the Singapore dollar may affect the Group's reported earnings. Nonetheless, the Group now has a portfolio of more diversified businesses in different industries and regions, with earnings in various currencies, which should help to buffer the economic uncertainties and currency volatility.

For the existing paper mill business in Malaysia and the power plant in Myanmar, the Group shall remain focused on optimising operational efficiency and cost effectiveness.

Demand for the Group's paper products remains fairly resilient. However, as earnings are translated back to Singapore dollar, the Malaysian ringgit's weakness may have some impact on reported earnings.

Demand for power in Myanmar remains strong with its low electrification rate. Earnings for the Group's power plant operations there are denominated in the US dollar and are backed by a 30-year power purchase agreement expiring in 2044.

On 31 January 2017, the Group, through its wholly-owned subsidiary UPP Investments Canada Limited, completed the proposed acquisition of common shares and unsecured subordinated notes in Taiga Building Products Ltd for an aggregate cash consideration of C\$71.8 million (equivalent to approximately S\$78.2 million).

Taiga is Canada's largest independent distributor of building products and is listed on the Toronto Stock Exchange. With the completion of this exercise, Taiga has become an indirect subsidiary of the Company and we expect to see a positive contribution from Taiga to the Group's results going forward.

**11. Dividend**

**(a) 4<sup>th</sup> Quarter ended 31 December 2016**

**Any dividend declared for the current financial year reported on?**

Name of dividend	Tax-exempt one tier
Dividend type	Final
Dividend amount per Share (in S\$ cents)	0.5 cents
Tax rate	-

**(b) 4<sup>th</sup> Quarter ended 31 December 2015**

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

Name of dividend	Tax-exempt one tier
Dividend type	First and final
Dividend amount per Share (in S\$ cents)	1.00 cents
Tax rate	-

**(c) Date payable**

Payment of the proposed final tax-exempt one tier dividend, if approved by the members at the forthcoming Annual General Meeting, will be made on 25 May 2017.

**(d) Books closure date**

Notice is hereby given that the Register of Members and Register of Transfers of the Company will be closed on 13 May 2017 for the purpose of determination of members' entitlements to the proposed dividend.

Duly completed registrable transfers received by the Company's Share Registrar, M&C Services Private Limited at 112 Robinson Road #05-01 Singapore 068902 up to the close of business at 5.00 p.m. on 12 May 2017 will be registered to determine shareholders' entitlements to the proposed dividend.

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

Not applicable.

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

13. **Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

	Paper Mill and Re-cycled Fibre		Power Plant		Others		Total		Adjustments and Eliminations		Consolidated	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>												
External customers	50,048	49,157	13,299	11,946	-	-	63,347	61,103	-	-	63,347	61,103
Inter-segment sales	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	50,048	49,157	13,299	11,946	-	-	63,347	61,103	-	-	63,347	61,103
<b>Results</b>												
Finance expenses	(4)	(4)	-	-	-	-	(4)	(4)	-	-	(4)	(4)
Interest income	96	57	-	-	384	313	480	370	-	-	480	370
Depreciation	(2,443)	(2,484)	(3)	(3)	(104)	(100)	(2,550)	(2,587)	-	-	(2,550)	(2,587)
<b>Segment profit before taxation</b>	7,880	6,371	8,141	7,834	(2,877)	(950)	13,144	13,255	-	-	13,144	13,255

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

Please refer to item 8.

**15. A breakdown of sales**

	<b>Group</b>		
	Full year ended 31 December 2016	Full year ended 31 December 2015	Increase/ (decrease)
	S\$'000	S\$'000	%
(a) Turnover reported for first half year	32,212	31,220	3
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	4,008	5,622	(29)
(c) Turnover reported for second half year	31,135	29,883	4
(d) Operating profit after tax before deducting non-controlling interests reported for the second half year	9,120	7,619	20

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

	2016 (S\$'000)	2015 (S\$'000)
Ordinary		
- Interim	4,183	-
- Proposed final	4,183	8,367
Preference	-	-
<b>Total</b>	<b>8,366</b>	<b>8,367</b>

**17. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate from shareholders for Interested Person Transactions.

Name of Interested Person	Aggregate value of all IPT during the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual during the financial period under review (excluding transactions less than \$100,000)
None	-	-
<b>Total Interested Person Transactions</b>	<b>-</b>	<b>-</b>

**18. Status on the use of net proceeds raised from Share Placement (completion of allotment on 16 May 2012)**

The net Placement proceeds of approximately S\$40.3 million (“**Net Proceed**”) was utilised as follows:-

- (a) As announced on 28 February 2014, the Company has utilised an amount of S\$24.0 million to satisfy part of the consideration amounting to S\$36.8 million which is due and payable under the Turnkey Agreement.

The Company confirms that the above amounts of proceeds from the Placement were used as previously disclosed.

- (b) As announced on 26 March 2014, the Company has utilised an amount of approximately S\$7.3 million of the Net Proceeds to satisfy the balance of the consideration which is due and payable under the Turnkey Agreement (the “**Turnkey Amount**”).

The Company notes that the use of the Net Proceeds for the Turnkey Amount represents a change in the intended allocation of the Net Proceeds as stated in its announcement dated 4 May 2012.

- (c) As announced on 1 February 2017, the Company has utilised the balance of the proceeds of approximately S\$9.0 million of the Net Proceeds to satisfy part of the consideration of the proposed acquisitions of common shares and unsecured subordinated notes in the capital of Taiga Building Products Ltd.

The use of such proceeds from the Placement is in accordance with the intended purpose set out in the Company’s announcement dated 26 March 2014 in relation to the Placement, i.e. to pursue investments and opportunities in other industries as and when they arise.

Pursuant to the aforementioned utilisation, the net proceeds from the Placement have been fully utilised.

**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.**

During the financial year ended 31 December 2016

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that for the financial year ended 31 December 2016, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries was a relative of a director or chief executive officer or substantial shareholder of the Company.

Subsequent to the financial year ended 31 December 2016 (upon completion of the Company’s acquisition of the securities of Taiga Building Products Ltd on 31 January 2017)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Tong Ian	29	Son of Tong Kooi Ong (Executive Chairman, Chief Executive Officer and substantial shareholder)	Position: Director, Taiga Building Products Ltd. Duties: Non-executive director Date when position first held: 20 July 2012	Not applicable.

**20. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

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

**BY ORDER OF THE BOARD**

Tong Kooi Ong  
Executive Chairman

Koh Wan Kai  
Executive Director

24 February 2017