

**UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE HALF YEAR ENDED 30 JUNE 2014**

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The 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 announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement. The contact person for the Sponsor is Ms. Karen Soh, Managing Director, Corporate Finance, Canaccord Genuity Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone (65) 68546160.*

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

1(a) (i) Combined statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	← Group →		Change +ve/(-ve) %
	Unaudited 1H2014 S\$'000	Unaudited 1H2013 S\$'000	
<b>Revenue</b>	16,925	15,268	10.9
<b>Cost of sales</b>	(11,513)	(10,019)	14.9
<b>Gross profit</b>	5,412	5,249	3.1
<b>Other operating income</b>	611	350	74.6
<b>Distribution and selling expenses</b>	(2,059)	(1,554)	32.5
<b>Administrative expenses</b>	(3,241)	(2,232)	45.2
<b>Other operating expenses</b>	(2)	(74)	(97.3)
	(5,302)	(3,860)	37.4
<b>Profit from operations</b>	721	1,739	(58.5)
<b>Finance expenses</b>	(214)	(57)	275.4
<b>Interest income</b>	5	7	(28.6)
<b>Profit before tax</b>	512	1,689	(69.7)
<b>Income tax</b>	(47)	(123)	(61.8)
<b>Profit for the period</b>	465	1,566	(70.3)
<b>Other comprehensive income</b>			
<b>Foreign currency translation on foreign operations</b>	(448)	50	n.m
<b>Total comprehensive income</b>	17	1,616	(98.9)
<b>Profit for the period attributable to :-</b>			
Equity holders of the Company	535	1,574	(66.0)
Non-controlling interests	(70)	(8)	n.m
	465	1,566	(70.3)
<b>Total comprehensive income attributable to :-</b>			
Equity holders of the Company	134	1,624	(91.7)
Non-controlling interests	(117)	(8)	n.m.
	17	1,616	(98.9)

n.m. : not meaningful

### 1(a)(ii) Additional information for the income statement

The Group's total comprehensive income for the financial period is derived after charging/(crediting):

	← GROUP →		
	Unaudited 1H2014 S\$'000	Unaudited 1H2013 S\$'000	Change +ve/(-ve) %
Dividend income from unquoted investment	(369)	-	n.m
Interest income	(5)	(7)	(28.6)
Interest expense	214	57	275.4
Inventories written back, net	(341)	(527)	(35.3)
Allowance for doubtful trade debts	20	-	n.m
Allowance for doubtful trade debts written back	-	(59)	n.m
Allowance for doubtful trade debts from an affiliated company written back	-	(1)	n.m
Bad debts recovery	(3)	-	n.m
Fixed assets written off	4	-	n.m
Depreciation of fixed assets	602	207	190.8
Amortisation of land use right	23	-	n.m
Amortisation of intangible asset	45	-	n.m
Foreign exchange (gain)/loss, net	(44)	70	(162.9)

n.m.: 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:

STATEMENT OF FINANCIAL POSITION

	← Group →		← Company →	
	Unaudited 30 June 2014 S\$'000	Audited 31 December 2013 S\$'000	Unaudited 30 June 2014 S\$'000	Audited 31 December 2013 S\$'000
<b>Non-current assets</b>				
Fixed assets	17,091	16,375	7,431	6,153
Land use right	2,108	2,166	-	-
Intangible assets	805	872	-	-
Investments in subsidiary companies	-	-	15,078	15,078
Unquoted investment	88	89	-	-
Other receivables	23	26	-	-
Deferred tax assets	140	140	-	-
<b>Total non-current assets</b>	<b>20,255</b>	<b>19,668</b>	<b>22,509</b>	<b>21,231</b>
<b>Current assets</b>				
Inventories	11,897	10,386	5,839	5,017
Trade debtors	7,726	7,618	4,249	4,055
Other receivables	776	1,432	79	755
Deposits	164	118	50	14
Prepayments	819	1,127	367	830
Due from subsidiary companies (trade)	-	-	2,130	1,900
Due from subsidiary companies (non-trade)	-	-	488	566
Due from affiliated companies (non-trade)	-	30	-	3
Tax recoverable	473	287	114	-
Fixed deposits pledged to bank	-	431	-	-
Fixed deposits	421	704	6	6
Cash and bank balances	6,296	6,154	3,098	3,376
<b>Total current assets</b>	<b>28,572</b>	<b>28,287</b>	<b>16,420</b>	<b>16,522</b>
<b>Current liabilities</b>				
Trade payables	2,463	2,412	938	1,254
Gross amount due to customers for contract-work-in-progress	334	-	334	-
Trust receipts and bills payable (secured)	5,063	4,772	4,881	4,617
Other creditors	587	497	206	258
Accruals and other liabilities	2,101	2,202	1,094	850
Provision for warranty	157	157	157	157
Dividend payable	108	108	108	108
Due to subsidiary companies (trade)	-	-	2,058	1,708
Due to subsidiary companies (non-trade)	-	-	188	158
Due to affiliated company (trade)	38	39	1	1
Due to affiliated company (non-trade)	151	154	5	5
Provision for income tax	369	340	207	207
Finance lease obligations (current)	635	172	554	20
Term loans (current)	2,237	2,300	1,984	1,499
<b>Total current liabilities</b>	<b>14,243</b>	<b>13,153</b>	<b>12,715</b>	<b>10,842</b>
<b>Net current assets</b>	<b>14,329</b>	<b>15,134</b>	<b>3,705</b>	<b>5,680</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	97	84	26	13
Finance lease obligations (non-current)	647	12	634	-
Term loans (non-current)	5,604	5,869	4,524	5,268
<b>Total non-current liabilities</b>	<b>6,348</b>	<b>5,965</b>	<b>5,184</b>	<b>5,281</b>
<b>Total net assets</b>	<b>28,236</b>	<b>28,837</b>	<b>21,030</b>	<b>21,630</b>
<b>Share capital and reserves</b>				
Share capital	19,264	19,264	19,264	19,264
Accumulated profits	8,300	8,383	1,444	2,044
Capital reserve	322	322	322	322
Translation reserve	(1,897)	(1,496)	-	-
	25,989	26,473	21,030	21,630
<b>Non-controlling interests</b>	2,247	2,364	-	-
<b>Total equity</b>	<b>28,236</b>	<b>28,837</b>	<b>21,030</b>	<b>21,630</b>

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

**Amount repayable in one year or less, or on demand and amount repayable after one year**

	<b>As at 30 June 2014</b>		<b>As at 31 December 2013</b>	
	<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Repayable in one year or less, or on demand	7,935	-	7,244	-
Repayable after one year	6,251	-	5,881	-
<b>Total borrowings</b>	<b>14,186</b>	<b>-</b>	<b>13,125</b>	<b>-</b>

**Details of any collateral**

The above borrowings are secured by legal mortgage over the freehold and leasehold land and buildings, motor vehicles, and plant and machinery of the Group.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS**

	← G R O U P →	
	1H2014 S\$'000	1H2013 S\$'000
<b>Cash flows from operating activities</b>		
Profit before tax	512	1,689
Adjustments:		
Allowance for doubtful trade debts	20	-
Allowance for doubtful trade debts written back	-	(59)
Allowance for doubtful debts due from an affiliated company written back	-	(1)
Inventories written back, net	(341)	(527)
Fixed assets written off	4	-
Depreciation of fixed assets	602	207
Amortisation of land use right	23	-
Amortisation of intangible assets	45	-
Interest expense	214	57
Interest income	(5)	(7)
Translation difference	(61)	11
Operating profit before working capital changes	1,013	1,370
<i>(Increase)/decrease in:</i>		
Inventories	(1,170)	1,859
Other receivables	659	(250)
Deposits and prepayments	262	83
Trade debtors	(129)	(126)
<i>Increase/(decrease) in:</i>		
Trade payables	51	(473)
Gross amount due to customers for contract work-in-progress	334	-
Other creditors	195	424
Accruals and other liabilities	(109)	(289)
Due to affiliated companies, net	27	132
Cash generated from operations	1,133	2,730
Interest paid	(214)	(57)
Income taxes paid	(209)	(158)
Income taxes refunded	34	36
Interest income	5	7
<b>Net cash generated from operating activities</b>	749	2,558
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(336)	(967)
Prepayment for investment	-	(6,553)
<b>Net cash used in investing activities</b>	(336)	(7,520)

← **GROUP** →

1H2014	1H2013
S\$'000	S\$'000

**Cash flows from financing activities**

Dividends paid	(618)	(384)
Fixed deposits pledged to bank	431	-
Draw down/(repayment) of trust receipts and bills payable	292	(408)
Repayment of finance lease obligations	(303)	(9)
Repayment of term loans	(1,317)	(115)
Proceeds from term loans	989	7,500

**Net cash (used in)/generated from financing activities**

	(526)	6,584
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**Net (decrease)/increase in cash and cash equivalents**

	(113)	1,622
Effect of exchange rate changes on cash and cash equivalents	(28)	12
Cash and cash equivalents at beginning of period	6,858	3,876

**Cash and cash equivalents at end of period**

	6,717	5,510
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**Cash and cash equivalents consist of the following :**

Cash and bank balances	6,296	4,928
Fixed deposits	421	925
Cash and cash equivalents	6,717	5,853
Fixed deposits pledged to bank	-	(343)
	6,717	5,510

**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.**

	Attributable to shareholders of the company						
	Equity, Total	Equity attributable to owners of the parent, total	Share capital	Accumulated profits	Capital reserve	Translation reserve	Non- controlling interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>GROUP</b>							
<b>Balance at 1 January 2014</b>	28,837	26,473	19,264	8,383	322	(1,496)	2,364
Profit for the year	465	535	-	535	-	-	(70)
Other comprehensive income	(448)	(401)	-	-	-	(401)	(47)
Total comprehensive income	17	134	-	535	-	(401)	(117)
Dividend paid	(618)	(618)	-	(618)	-	-	-
<b>Balance at 30 June 2014</b>	28,236	25,989	19,264	8,300	322	(1,897)	2,247
<b>Balance at 1 January 2013</b>	18,970	18,785	13,956	5,943	322	(1,436)	185
Profit for the year	1,566	1,574	-	1,574	-	-	(8)
Other comprehensive income	50	50	-	-	-	50	-
Total comprehensive income	1,616	1,624	-	1,574	-	50	(8)
Dividend paid	(391)	(391)	-	(391)	-	-	-
<b>Balance at 30 June 2013</b>	20,195	20,018	13,956	7,126	322	(1,386)	177
<b>COMPANY</b>							
<b>Balance at 1 January 2014</b>	21,630	21,630	19,264	2,044	322	-	-
Loss for the year	18	18	-	18	-	-	-
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	18	18	-	18	-	-	-
Dividend paid	(618)	(618)	-	(618)	-	-	-
<b>Balance at 30 June 2014</b>	21,030	21,030	19,264	1,444	322	-	-
<b>Balance at 1 January 2013</b>	14,708	14,708	13,956	430	322	-	-
Profit for the year	1,308	1,308	-	1,308	-	-	-
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	1,308	1,308	-	1,308	-	-	-
Dividend paid	(391)	(391)	-	(391)	-	-	-
<b>Balance at 30 June 2013</b>	15,625	15,625	13,956	1,347	322	-	-



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-back, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or 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 current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There was no change in the Company's issued and paid up share capital from 1 January 2014 to 30 June 2014. The Company does not have any convertible securities.

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

The total number of issued shares (excluding treasury shares) in the capital of the Company as at 30 June 2014 was 108,480,000 (31 December 2013: 108,480,000). The Company does not have any treasury 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**

The Company does not have any treasury shares.

**2. Whether the figures have been audited, or review and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or equivalent standard)**

The figures have not been audited or reviewed by the Company's auditors.

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

Not applicable.

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

Save as disclosed in paragraph 5, the unaudited financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2013.

**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 the applicable new and revised Singapore Financial Reporting Standards (“FRS”) and Interpretations of Financial Reporting Standards (“IFRS”) which became effective for the accounting periods beginning on or after 1 January 2014. The adoption of these new and revised FRS and IFRS is not expected to result in material adjustments to the financial position, results of operations or cash flows of the Group for the financial period ended 30 June 2014.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year**

	GROUP	
	1H2014	1H2013
Net profit after tax attributable to equity holders of the Company (S\$'000)	535	1,574
Weighted average number of ordinary shares ('000)	108,480	72,320
Earning per share - basic/fully diluted (cents)	0.49	2.18

The Company has no dilutive equity instruments as at 30 June 2014.

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

	GROUP		COMPANY	
	As at 30 June 2014	As at 31 December 2013	As at 30 June 2014	As at 31 December 2013
Net asset value (S\$'000)	25,989	26,473	21,030	21,630
Number of ordinary shares ('000)	108,480	108,480	108,480	108,480
Net asset value per share (cents)	24.0	24.4	19.4	19.9

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

## Review of performance

### Revenue

Revenue increased S\$1.6 million or 10.9% to S\$16.9 million in 1H2014 from S\$15.3 million in 1H2013. This was mainly due to S\$3.2 million revenue contribution from Eden Refrigeration Manufacturing (Jiangsu) Co., Ltd. ("**ERM**") that was acquired in 2H2013 (the "**ERM Acquisition**"). The higher ERM revenue was offset by a slowdown in projects from the Singapore and Malaysia markets. Excluding the contributions of ERM, the Group's revenue would have decreased by S\$1.6 million to S\$13.7 million in 1H2014 from S\$15.3 million in 1H2013.

Revenue by Business Segment	GROUP				Change +ve/(-ve) %
	1H2014 S\$'000	% Contribution	1H2013 S\$'000	% Contribution	
Commercial and light industrial (refrigeration)	12,707	75%	11,406	75%	11.4
Residential and commercial (air-conditioning)	2,748	16%	2,613	17%	5.2
Oil, marine and gas (refrigeration and air-conditioning)	1,470	9%	1,249	8%	17.7
	<u>16,925</u>	<u>100%</u>	<u>15,268</u>	<u>100%</u>	

Revenue across all business segments – namely, commercial and light industrial (refrigeration), oil, marine and gas (refrigeration and air-conditioning) and residential and commercial (air-conditioning) – increased S\$1.3 million, S\$0.2 million and S\$0.1 million, respectively. This includes revenue contribution from ERM accounted for in the commercial and light industrial (refrigeration) segment, oil, marine and gas (refrigeration and air-conditioning) segment and residential and commercial (air-conditioning) segment of S\$2.8 million, S\$0.4 million and S\$17,000, respectively.

### Gross profit and gross profit margin

The Group's gross profit margin decreased to 32.0% in 1H2014 from 34.4% in 1H2013 mainly due to a decrease of approximately S\$0.2 million in the write-back of provision for stocks obsolescence, without which the Group's gross profit margin would have declined from 30.9% to 30.0% due to increased market competition, clearance of slow-moving stocks at a discount and higher depreciation costs.

### **Other operating income**

Other operating income increased to S\$611,000 in 1H2014 from S\$350,000 in 1H2013, mainly due to an increase in dividend income from an unquoted investment of S\$369,000, which was offset by a reduction in insurance claims of S\$108,000 as there were no such claims in 1H2014.

### **Distribution and selling expenses**

Distribution and selling expenses increased to S\$2.1 million in 1H2014 from S\$1.6 million in 1H2013, mainly due to (i) consolidation of ERM's distribution and selling expenses of S\$0.4 million following the acquisition of ERM; and (ii) increase in headcount which resulted in higher staff costs of S\$0.1 million.

### **Administrative expenses**

Administrative expenses increased to S\$3.2 million in 1H2014 from S\$2.2 million in 1H2013 due to (i) consolidation of ERM's administrative expenses of S\$0.7 million following its acquisition; (ii) higher staff costs of S\$0.2 million; and (iii) other miscellaneous administrative expenses of S\$0.1 million.

### **Other operating expenses**

Other operating expenses decreased by S\$72,000, mainly due to foreign exchange gain incurred in 1H2014.

### **Finance expenses**

Finance expenses increased by S\$157,000 due to the additional borrowings undertaken by the Group in 1H2014.

## **Review of Financial Position**

### **Non-current assets**

Non-current assets increased S\$0.6 million to S\$20.3 million as at 30 June 2014 from S\$19.7million as at 31 December 2013 due to increase in fixed assets of S\$0.7 million, partially offset by amortisation costs for intangible assets and land use right of S\$0.1 million.

### **Current assets**

Current assets increased by S\$0.3 million to S\$28.6 million as at 30 June 2014 from S\$28.3 million as at 31 December 2013. This can be attributed to an increase in (i) inventories of S\$1.5 million; (ii) trade receivables of S\$0.1 million; (iii) tax recoverable of S\$0.2 million; and (iv) cash and bank balances of S\$0.1 million, which was mitigated by decreases in (a) other receivables and prepayments of S\$0.9 million; and (b) fixed deposits of S\$0.7 million.

### **Current liabilities**

Current liabilities increased S\$1.1 million to S\$14.2 million as at 30 June 2014 from S\$13.1 million as at 31 December 2013 due to additional (i) finance lease obligations of \$0.5 million; (ii) trust receipts and bills payable of S\$0.3 million; and (iii) gross amount due to customers for contract work-in-progress of S\$0.3 million.

### **Non-current liabilities**

Non-current liabilities increased S\$0.3 million to S\$6.3 million as at 30 June 2014 from S\$6.0 million as at 31 December 2013 due to additional finance lease obligations of S\$0.6 million, partially offset by repayment of loans of S\$0.3 million.

### **Equity**

Share capital and reserves declined by S\$0.6 million to S\$28.2 million as at 30 June 2014 from S\$28.8 million as at 31 December 2013 due to decreases in (i) translation reserve of S\$0.4 million; (ii) retained profits for 30 June 2014 amounting to S\$0.1 million; and (iii) non-controlling interests of S\$0.1 million.

### **Review of Cash Flow Statement**

Net cash generated from operating activities before changes in working capital was S\$1.0 million. Net cash used in working capital amounted to S\$0.3 million as a result of cash outflows from (i) inventories of S\$1.2 million; (ii) trade debtors of S\$0.1 million; and (iii) accruals and other liabilities of S\$0.1 million. The Group also paid bank interest of S\$0.2 million and income tax of S\$0.2 million. These were partially offset by cash inflows from (a) other receivables of S\$0.7 million; (b) gross amount due to customers for contract work-in-progress of S\$0.3 million; (c) deposits and prepayments of S\$0.3 million; and (d) other creditors of S\$0.2 million.

Net cash used in investing activities to purchase fixed assets was S\$0.3 million.

Net cash used in financing activities of S\$0.5 million including the (i) repayment of term loans of S\$1.3 million and finance leases of S\$0.3 million; and (ii) dividend payout of S\$0.6 million which were partially offset by proceeds from term loans of S\$1.0 million and fixed deposits pledged to bank of S\$0.4 million; and (iii) drawdown of trust receipts of S\$0.3 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. No forecast or prospect statement has been previously disclosed.

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

The HVAC&R industry continues to grow as urbanization lifts demand for cold chain logistics and refrigeration. Apart from residents and businesses seeking cooler working environments, hypermarkets, hotels, logistic hubs, distributors and retailers are requiring more specialized cooling systems and cold-chain logistics for food storage.

Against the backdrop of these factors and leveraging on the acquisition of ERM, the Group has conducted a strategic review and unveiled a roadmap for growth which was announced on SGXNET on 29 July 2014. This includes:

- (i) Expansion of the Group's manufacturing operations by increasing the utilization rate of ERM and the development of its R&D centre, as well as to increase China's revenue contribution to the Group via higher-value products and a potential new distribution businesses
- (ii) Moving up the HVAC&R value chain by strengthening engineering consultancy services and R&D. The Group intends to take on specialised projects and is currently in negotiation for a smart farm project in China (to grow mushrooms or herbs), which requires specialised solutions and products for micro-climate control.
- (iii) Developing economies of scale and scalability via distribution of ERM and third-party products by either forging strategic alliances or acquiring companies with existing distribution networks in China, and expanding the Group's distribution footprint within South East Asia.

The Directors believe that there will be increased activities from China and its China operations will contribute positively to the Group's revenue despite the slowdown in 1H2014 from the Singapore and Malaysian markets. The Group remains on the lookout for merger and acquisition opportunities to expand its distribution network and geographical presence in China and South East Asia.

While the first half of the financial year is seasonally slower than the second half, the Group remains optimistic of its future growth prospects in view of the abovementioned strategies and opportunities in China. Barring unforeseen circumstances, the Group is reasonably confident of a better performance in 2H2014.

**11. Dividend**

**(a) Current Financial Period Reported on 30 June 2014**

**Any dividend declared for the current financial period that is reporting?**

Nil.

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

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

Nil.

**(c) Date Payable**

Not applicable.

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

Not applicable.

**13. Interested Person Transaction ("IPT")**

There are no interested person transactions of S\$100,000 or more during the financial period under review.

**CONFIRMATION PURSUANT TO RULE 705(5) OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the results for the financial period ended 30 June 2014 to be false or misleading in any material aspect.

On behalf of the Board of Directors,

**BY ORDER OF THE BOARD  
Far East Group Limited**

Loh Mun Yew  
CEO and Executive Director

Leng Chee Keong  
COO (Sales & Marketing) and Executive Director

8 August 2014