



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3), HALF AND FULL YEAR RESULTS

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

	Note	The Group		
		Period Ended 31 December		
		2014	2013	% change
		S\$'000	S\$'000	+ / (-)
Revenue		30,184	71,156	(57.6)
Material costs		(11,715)	(22,598)	(48.2)
Subcontractor costs		(9,693)	(23,077)	(58.0)
Staff costs - direct		(6,532)	(11,383)	(42.6)
Staff costs - indirect	(i)	(8,319)	(8,846)	(6.0)
Other operating expenses	(ii)	(46,066)	(47,136)	(2.3)
Impairment loss on an associate	(iii)	-	(1,256)	n.m
Results from operations		(52,141)	(43,140)	20.9
Finance income		2,234	2,093	6.7
Finance costs		(1,976)	(2,358)	(16.2)
Net finance income/ (finance costs)		258	(265)	
Other income	(iv)	4,955	685	623.4
Loss on disposal of subsidiary/ JV		(252)	-	n.m
Impairment of goodwill	(v)	(4,044)	-	n.m
Share of loss of jointly controlled entities (net of tax)		(159)	(12)	n.m
Share of profit of associates (net of tax)		33	60	n.m
Loss before taxation		(51,350)	(42,672)	20.3
Income tax credit/ (expense)	(vi)	1,697	(262)	n.m
Loss for the period		(49,653)	(42,934)	n.m
Loss attributable to:				
Owners of the Company		(46,105)	(25,107)	83.6
Non-controlling interests		(3,548)	(17,827)	n.m
Loss for the period	(vii)	(49,653)	(42,934)	



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

(i) On 26 September 2014, the Company granted 57,472,000 units of employee share options at the exercise price of S\$0.0516 each. The Company uses "Black Scholes Model" and computed the fair value of such option to be S\$0.7 million.

(ii) Other operating expenses include the following items :

	The Group		
	Period Ended 31 December		
	2014	2013	%
	S\$'000	S\$'000	change + / (-)
Amortisation of intangible assets	271	192	41.1
Depreciation of property, plant and equipment	641	918	(30.2)
Exchange gain	(1,013)	(144)	603.5
Allowance made on trade and other receivables	8,610	845	919.3
Allowance made on foreseeable losses for WIP	15,152	7,171	111.3
Allowance for impairment of service concession receivables	16,665	-	n.m
Write back on trade and other payables	(6,718)	-	n.m
Allowance made on amounts due from related parties	814	11,638	(93.0)
Write-offs of receivables	-	20,663	(100.0)
Allowance for inventories obsolescence including write offs	456	1	45,453.5
Transaction costs for conversion of bonds to shares	720	-	n.m

(iii) Relates to Xiamen Leccan Technology Co., Ltd, an associate of CNA China.

(iv) As announced on 14 October 2014, the property was sold upon the exercise of option by the purchaser on the same date. The sales resulted in a net gain of \$4,594,823.

(v) Impairment of goodwill in CNA China of S\$4.0 million.

(vi) A reversal of accumulated net tax over-provision from China operations, income tax expense of \$2.2 million. This is based on receipt of tax clearance received in 3Q2014 from the China tax authorities that there was no taxable income up to FY2013.

(vii) Consolidated statement of comprehensive income for the period ended 31 December 2014:

	The Group		
	Period Ended 31 December		
	2014	2013	%
	S\$'000	S\$'000	change + / (-)
Loss for the period	(49,653)	(42,934)	15.6
Other comprehensive loss			
Net changes in fair value of available-for-sale financial assets	7,844	-	n.m
Foreign currency translation differences for foreign operations	(898)	1,703	(152.7)
Capital gain on shares	(2,354)	-	n.m
Total comprehensive loss for the period	(45,061)	(41,231)	9.3
Total comprehensive loss attributable to:			
Owners of the Company	(41,508)	(23,455)	77.0
Non-controlling interests	(3,553)	(17,776)	n.m
Total comprehensive loss for the period	(45,061)	(41,231)	9.3



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

	The Group		The Company	
	31.12.2014 S\$'000	31.12.2013 S\$'000	31.12.2014 S\$'000	31.12.2013 S\$'000
Assets				
Property, plant and equipment	1,436	4,247	222	590
Intangible assets	1,380	6,144	365	360
Subsidiaries	-	-	15,287	35,972
Associates and jointly controlled entities	1,015	1,222	-	327
Other investments	10,446	2,620	9,928	2,083
Service concession receivable	-	27,420	-	-
Deferred tax assets	366	488	-	464
Trade and other receivables	540	246	384	97
Non-current assets	15,183	42,387	26,186	39,893
Service concession receivable	15,320	-	-	-
Inventories	2,218	1,423	6	6
Contract work-in-progress	21,598	47,145	8,409	17,167
Trade and other receivables	33,331	43,222	6,452	11,278
Amounts due from related parties	9,962	9,328	13,537	6,643
Cash and cash equivalents	5,788	10,512	3,116	4,423
Current assets	88,217	111,630	31,520	39,517
Total assets	103,400	154,017	57,706	79,410
Equity				
Share capital	70,913	64,096	70,913	64,096
Reserves	(64,606)	(23,836)	(79,310)	(19,924)
Equity attributable to owners of the Company	6,307	40,260	(8,397)	44,172
Non-controlling interests	(17,707)	(13,453)	-	-
Total equity	(11,400)	26,807	(8,397)	44,172
Liabilities				
Loans and borrowings	3	7	3	7
Deferred tax liabilities	2,751	12	2,353	-
Trade and other payables	-	517	-	-
Non-current liabilities	2,754	536	2,356	7
Deferred tax liabilities				
Excess of progress billings over work-in-progress	450	1,720	-	1,441
Amount due to related parties	17,149	16,095	1,300	1,438
Trade and other payables	47,153	55,031	21,667	10,671
Loans and borrowings	42,373	50,868	35,871	21,681
Provisions	4,909	-	4,909	-
Current tax liabilities	12	2,960	-	-
Current liabilities	112,046	126,674	63,747	35,231
Total liabilities	114,800	127,210	66,103	35,238
Total equity and liabilities	103,400	154,017	57,706	79,410



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

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

	The Group		The Group	
	As at 31 December 2014		As at 31 December 2013	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Bank overdrafts	-	109	-	307
Bank loans	1	40,114	12,332	38,229
Total	1	40,223	12,332	38,536

(b) Amount repayable after one year

	The Group		The Group	
	As at 31 December 2014		As at 31 December 2013	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
Bank loans	-	-	-	-
Finance lease liabilities	-	3	-	7
	-	3	-	7

(c) Details of any collateral

A subsidiary of the Company pledged its asset for the Company to obtain a loan from a financial institution.



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

	The Group	
	Period Ended 31 December	
	2014	2013
	S\$'000	S\$'000
Cash flows from operating activities		
Loss before taxation	(51,350)	(42,672)
Adjustments for:		
Depreciation	641	918
Amortisation of intangible assets	271	192
Gain on disposal of property, plant and equipment	(4,686)	-
Loss on disposal of JV	126	-
Gain on disposal of subsidiary	127	-
Interest expense	1,976	2,358
Interest income	(2,234)	(2,093)
Share-based payment reserve	739	-
Allowance for inventories obsolescence including write offs	456	-
Write back trade and other payables	(7,868)	-
Share of profit of associates (net of tax)	(33)	(60)
Share of loss of jointly controlled entities (net of tax)	159	12
Write offs on trade and other receivables	8,610	21,508
Allowance for impairment of service concession receivables	16,665	-
Transaction costs for conversion of bonds to shares	720	-
Allowance made on foreseeable losses for WIP	15,152	7,171
Allowance made on amounts due from related party	814	11,638
Allowance made on associates	-	1,256
Allowance made on goodwill	4,044	50
	(15,671)	278
Changes in service concession receivable	(2,203)	(7,490)
Changes in inventories	(1,250)	466
Changes in contract work-in-progress	9,493	(8,970)
Changes in trade and other receivables	(3,054)	11,510
Changes in trade and other payables	10,194	(1,683)
Cash (used in)/ generated from operating activities	(2,491)	(5,889)
Income tax paid	(175)	(612)
Net cash (used in)/ from operating activities	(2,666)	(6,501)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(117)	(415)
Acquisition of intangible assets	(191)	(285)
Proceeds from sale of property, plant and equipment	6,714	107
Proceeds from sale of subsidiary	153	-
Interest received	99	80
Net cash from/ (used in) investing activities	6,658	(513)
Cash flows from financing activities		
Proceeds from loans and borrowings	17,475	10,767
Payment of loans and borrowings	(29,613)	(11,391)
Balances with related parties (non-trade)	(393)	440
Proceeds from issue of new shares	3,199	9,683
Proceeds from issue of convertible bonds	2,000	-
Interest paid	(1,243)	(1,453)
Decrease in deposits pledged	(542)	-
Net cash (used in)/ from financing activities	(9,117)	8,046
Net (decrease)/ increase in cash and cash equivalents	(5,125)	1,032
Cash and cash equivalents at 1 January ⁽¹⁾	9,951	9,087
Effects of exchange rate fluctuations on cash held	57	(168)
Cash and cash equivalents at 31 December ⁽¹⁾	4,883	9,951



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

Explanatory Notes:

(1) Cash and cash equivalents in the cash flow statement comprises the following:

	The Group	
	31.12.2014	31.12.2013
	S\$'000	S\$'000
Cash at banks and in hand	4,992	5,345
Fixed deposits - current	796	5,167
	<u>5,788</u>	<u>10,512</u>
Less: Deposits pledged	(796)	(254)
	<u>4,992</u>	<u>10,258</u>
Bank overdrafts	(109)	(307)
Cash and cash equivalents	<u><u>4,883</u></u>	<u><u>9,951</u></u>

	The Group	
	01.01.2014	01.01.2013
	S\$'000	S\$'000
Cash at banks and in hand	5,345	4,998
Fixed deposits - current	5,167	4,549
	<u>10,512</u>	<u>9,547</u>
Less: Deposits pledged	(254)	(299)
	<u>10,258</u>	<u>9,248</u>
Bank overdrafts	(307)	(161)
Cash and cash equivalents	<u><u>9,951</u></u>	<u><u>9,087</u></u>



CNA GROUP LTD.
Company Registration No. 1990046490

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

Group	Share capital S\$'000	Foreign currency transition reserve S\$'000	Reserve for fund S\$'000	Reserve for own shares S\$'000	Fair value reserves S\$'000	Share-based payment reserve S\$'000	Disposal of subsidiaries S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Non-controlling interests S\$'000	Total attributable equity of the Company S\$'000
At 1 January 2013	54,413	(4,520)	1,056	(203)	-	-	(1,338)	4,684	54,022	4,323	58,345
Total comprehensive income for the period	-	-	-	-	-	-	-	(25,107)	(25,107)	(17,827)	(42,934)
Loss for the period	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	1,632	-	-	-	-	-	1,632	1,632	51	1,703
Total other comprehensive income	-	1,632	-	-	-	-	-	(23,475)	(23,475)	(17,776)	(41,231)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Issue of ordinary shares	9,683	-	-	-	-	-	-	-	9,683	-	9,683
Share-based payment reserve	9,683	-	-	-	-	738	-	-	9,683	-	9,683
Total contributions by and distributions to owners	19,366	-	-	-	-	738	-	-	19,366	-	19,366
At 31 December 2013	64,096	(2,888)	1,056	(203)	5,680	738	(1,338)	(20,413)	40,280	(13,453)	26,807
At 1 January 2014	64,096	(2,938)	1,056	(203)	-	-	(1,338)	(20,413)	40,280	(13,453)	26,807
Total comprehensive income for the period	-	-	-	-	-	-	-	(46,105)	(46,105)	(3,546)	(49,651)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation differences	-	-	-	-	(2,854)	-	-	-	(2,854)	-	(2,854)
Net changes in the value of available-for-sale financial assets	-	-	-	-	7,844	-	-	-	7,844	-	7,844
Foreign currency translation differences	-	(633)	-	-	-	-	-	-	(633)	(6)	(639)
Total other comprehensive income	-	(633)	-	-	5,690	-	-	(46,105)	(41,048)	(6)	(46,054)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Contributions by and distributions to owners	6,817	-	-	-	-	-	-	-	6,817	-	6,817
Issue of ordinary shares	-	-	-	-	-	-	-	-	-	-	-
Disposal of subsidiaries	-	-	-	-	-	738	-	-	738	-	738
Share-based payment reserve	-	-	-	-	-	738	-	-	738	-	738
Total contributions by and distributions to owners	6,817	-	-	-	-	738	-	-	7,555	-	7,555
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	(701)	(701)
Disposal of subsidiary with non-controlling interests	-	-	-	-	-	-	-	-	-	(701)	(701)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	(701)	(701)
Total transactions with owners	12,634	-	-	-	-	738	-	-	13,373	(701)	12,672
At 31 December 2014	70,913	(3,831)	1,056	(203)	5,680	738	(1,338)	(66,818)	6,307	(17,207)	(11,400)

Company	Share capital S\$'000	Reserve for own shares S\$'000	Reserve for own shares S\$'000	Fair value reserves S\$'000	Share-based payment reserve S\$'000	Total Equity S\$'000
At 1 January 2013	54,413	(203)	(781)	-	-	53,429
Total comprehensive income for the period	-	-	(18,940)	-	-	(18,940)
Loss for the period	-	-	(18,940)	-	-	(18,940)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-
Issue of ordinary shares	9,683	-	-	-	-	9,683
Share-based payment reserve	-	-	-	-	738	738
Total contributions by and distributions to owners	9,683	-	-	-	738	10,421
At 31 December 2013	64,096	(203)	(19,721)	-	-	44,172
At 1 January 2014	64,096	(203)	(19,721)	-	-	44,172
Total comprehensive income for the period	-	-	(65,614)	-	-	(65,614)
Loss for the year	-	-	(65,614)	-	-	(65,614)
Capital gain on shares	-	-	-	(2,354)	-	(2,354)
Transactions with owners, recorded directly in equity	6,817	-	-	7,844	-	14,661
Issue of ordinary shares	-	-	-	7,844	-	7,844
Reserve on pooled investment	-	-	-	-	738	738
Share-based payment reserve	-	-	-	-	738	738
Total contributions by and distributions to owners	6,817	-	-	7,844	738	15,399
At 31 December 2014	70,913	(203)	(85,335)	5,490	738	(8,397)

Company	Share capital S\$'000	Reserve for own shares S\$'000	Reserve for own shares S\$'000	Fair value reserves S\$'000	Share-based payment reserve S\$'000	Total Equity S\$'000
At 1 January 2013	54,413	(203)	(781)	-	-	53,429
Total comprehensive income for the period	-	-	(18,940)	-	-	(18,940)
Loss for the period	-	-	(18,940)	-	-	(18,940)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-
Issue of ordinary shares	9,683	-	-	-	-	9,683
Share-based payment reserve	-	-	-	-	738	738
Total contributions by and distributions to owners	9,683	-	-	-	738	10,421
At 31 December 2013	64,096	(203)	(19,721)	-	-	44,172
At 1 January 2014	64,096	(203)	(19,721)	-	-	44,172
Total comprehensive income for the period	-	-	(65,614)	-	-	(65,614)
Loss for the year	-	-	(65,614)	-	-	(65,614)
Capital gain on shares	-	-	-	(2,354)	-	(2,354)
Transactions with owners, recorded directly in equity	6,817	-	-	7,844	-	14,661
Issue of ordinary shares	-	-	-	7,844	-	7,844
Reserve on pooled investment	-	-	-	-	738	738
Share-based payment reserve	-	-	-	-	738	738
Total contributions by and distributions to owners	6,817	-	-	7,844	738	15,399
At 31 December 2014	70,913	(203)	(85,335)	5,490	738	(8,397)



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 purposes 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 immediately preceding financial year

On 8 July 2014, 15,336,000 new shares were issued at the price of S\$0.0823 per share.

On 29 August 2014, 10,285,714 fee shares were issued at the price of S\$0.07 per share in conjunction with the issue of redeemable zero coupon convertible bonds amounting to S\$120 million.

On 29 August 2014, S\$2,000,000 worth of bonds were issued and on 3 September 2014 and 10 September 2014, S\$1,200,000 and S\$800,000 worth of bonds were converted to 18,165,304 & 12,143,290 new shares at the price of S\$0.06606 and S\$0.06588 per share respectively.

On 10 September 2014, S\$2,000,000 worth of bonds were issued and remain unconverted as at 31 December 2014.

On 17 November 2014, 58,153,846 new shares were issued at the price of S\$0.0520 per share.

As at 31 December 2014, the total number of shares held as treasury shares was 1,321,000 (31 December 2013: 1,321,000 shares).

1(d)(iii) Disclosure of information required under paragraph 1(d)(iii) and (iv) of App. 7.2 of the listing manual

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 financial year.

	<u>31.12.2014</u>	<u>31.12.2013</u>
Total number of shares held as treasury shares	1,321,000	1,321,000
Total number of issued shares (excluding treasury shares)	<u>481,901,128</u>	<u>367,816,974</u>

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

Not Applicable.

2. Whether the figures have been audited, or reviewed 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.

3. Where these figures have been audited or reviewed, the auditor's 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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 December 2013.



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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 the new and revised FRSs is assessed to have no material impact to the results of the Group and of the Company for the year ending 31 December 2014.

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

	<u>The Group</u>	
	<u>Period Ended 31 December</u>	
	<u>2014</u>	<u>2013</u>
Loss per share (in SGD cents)		
- Basic	(11.60)	(8.02)
- Fully diluted ⁽¹⁾	(11.60)	(8.02)
Weighted average number of shares used in computing earnings per share	397,589,532	313,088,207

Note:

(1) As the potential shares are anti-dilutive, i.e. decreasing the loss per share, the diluted loss per share for the period 31 December 2014 was computed on the same basis as basic loss per share.

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

	<u>The Group</u>		<u>The Company</u>	
	<u>31.12.2014</u>	<u>31.12.2013</u>	<u>31.12.2014</u>	<u>31.12.2013</u>
Net asset value per share (in SGD cents)	1.31	10.95	(1.74)	12.01
Net assets (S\$'000)	6,307	40,260	(8,397)	44,172
Number of shares used in calculating NAV	481,901,128	367,816,974	481,901,128	367,816,974



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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, costs, and earnings 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 cash flow, working capital, assets or liabilities of the group during the current financial period reported on

REVIEW OF THE PERFORMANCE OF THE GROUP

The Group registered revenue of S\$30.2 million for the full year ended 31 December 2014 ("FY2014"), compared with S\$71.2 million for last year ("FY2013"). This represents, in aggregate for all the territories combined, a drop in group revenue by 57.6%. The weak property market in China resulted in a drop of 70.2%, while Vietnam experienced a drop of 64.6%.

Direct costs (comprising material, subcontractor and staff costs) decreased by S\$29.1 million or 49.6% over the period, in line with the decrease in revenue.

The indirect staff costs in FY2014 was 6.0% lower than FY2013 due mainly to staff reductions, arising from strategic cost realignments. Included in the other operating expenses was a net foreign exchange gain of S\$1.0 million for FY2014 against a net gain of S\$144,000 for FY2013 due to the general weakening of the Singapore Dollar against regional currencies. In conjunction with the strategic restructuring of our operations in China, the Group has also performed a re-assessment of its assets, primarily its Dongying industrial waste water treatment plant. This resulted in a provision for impairment of service concession receivables by S\$16.7 million, based on indicative market prices. The Group also made impairment provisions for long outstanding works-in-progress of S\$15.1 million.

The Group's results from operations was a loss of S\$52.3 million in FY2014, against a loss of S\$43.1 million in FY2013.

Higher finance income of S\$2.2 million in FY2014 compared to S\$2.1 million in FY2013 was due largely to the continuing recognition of financial income from service concession receivables attributable to the Dongying industrial waste water treatment project in China. The reduction in finance expenses by S\$382,000 was due mainly to the repayment of bank loans and borrowings.

Included in other income is a gain of S\$4.6 million (FY2013: S\$ Nil) arising from the sale of a property.

Income tax expense was a credit of S\$1.7 million for FY2014 compared to an expense of S\$262,000 in FY2013 due mainly to an over-provision of the accumulated income tax provision from China operations

The Group has taken an impairment of goodwill of S\$4.0 million (FY2013 S\$ Nil) mainly as a result of the declining property related business in China.

Overall, the Group incurred a loss of S\$49.7 million for FY2014 against a loss of S\$43.0 million for FY2013. Loss attributable to shareholders was S\$46.1 million compared against a loss of S\$25.1 million for FY2013.

REVIEW OF THE FINANCIAL POSITION OF THE GROUP

Service concession receivable decreased from S\$27.4 million to S\$15.3 million due to the impairment provision of its industrial waste water treatment plant as aforementioned.

The decrease in contract work-in-progress by S\$25.5 million was due mainly to billings of more project completions during the year and impairment provisions for certain long outstanding work-in-progress.

Current trade receivables decreased from S\$43.2 million to S\$33.3 million primarily due to \$8.6 million allowances made for doubtful trade receivables and improved collections. Non-current trade receivables increased by S\$294,000 primarily due to an increase in contract retention

The decrease in cash at bank and cash equivalents from S\$10.5 million to S\$5.8 million was due mainly to repayment of bank loans and borrowings.

Included in equity reserves is an unrealised gain of S\$7.8 million from a quoted investment.

The decrease of current trade and other payables of S\$7.9 million was due mainly to the reversal of S\$6.7 million of trade payables of the Group's share of its China subsidiary waiver agreements with unsecured creditors, and payments to subcontractors and suppliers.

The decrease in current portion of loans and borrowing from S\$50.9 million to S\$42.4 million was due partly to the repayment of loans and borrowings. Included in current portion of loans and borrowing are convertible bonds balance S\$2.2 million (FY2013: S\$ Nil) represents the fair value of the second tranche of convertible bond drawn during the year pending conversion.



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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

Not Applicable.

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

For the financial year ended 31 December 2014 ("FY2014"), the Company's revenue was weaker than previous FY2013 and it was mainly impacted by the competitive Singapore market and the volatile Thailand political situation.

The first six months of 2015 has seen lacklustre growth in the Singapore economy with the construction market remaining very competitive. The Company will continue to focus on its strong market presence in transport and healthcare related projects and accreditation as an ESCO (energy services company), which will be the foundation for future growth.

The Company's Mechanical, Electrical and Plumbing ("MEP") business in China has been facing severe headwinds due to the weak property market conditions. The Company attempt to restructure its China business via alternative investment opportunities has seen a set-back with the recent announcements of the terminations of the three proposed potential investments. We expect longer term structural adjustments in China are necessary to return to profitability.

With the slow property market recovery in Vietnam, the Company will concentrate on its niche track record in transport infrastructure, particularly in aviation related projects, for which the outlook is more optimistic.

Looking ahead, with Thailand's GDP growth is set to hit 3.8% in 2015 due to higher fiscal spending on major infrastructure projects. The Company expects its foray into Thailand will bring about positive results moving forward.

With the Group in a negative equity position, the Company will continue to explore more corporate exercises to raise funds to strengthen its capital base.

With the Group in a negative equity position, the Company is currently seeking advice and considering its options and will make the relevant announcements in due course.

As at 31 December 2014, the order book of the Company stood at S\$77.1 million.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) Date Payable

Not Applicable.

(d) Books closure date

Not Applicable.

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

No dividend has been declared or recommended for the financial period.



CNA GROUP LTD.
(Company Registration No. 199000449K)

FULL YEAR FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or half year results)

13. Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year

(a) Geographical Segments

	Singapore	The PRC	Middle East	Vietnam	Thailand	Other countries	Elimination	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
31 December 2014								
Revenue								
Revenue from external customers	18,118	4,069	-	6,898	675	424	-	30,184
Inter-segment revenue	-	-	-	-	-	270	(270)	-
Total	18,118	4,069	-	6,898	675	694	(270)	30,184
Operating (Loss)/Profit	(18,139)	(23,539)	1,080	(1,644)	(8,993)	5	-	(51,230)
Finance income	21	2,148	0	64	1	-	-	2,234
Finance costs	(568)	(666)	(654)	(80)	(8)	(0)	-	(1,976)
Share of results of associates, net of tax	-	-	33	-	-	-	-	33
Loss on disposal of subsidiary/joint venture	(85)	(167)	-	-	-	-	-	(252)
Share of results of jointly controlled entities, net of tax	-	-	-	(140)	(19)	-	-	(159)
(Loss)/Profit before taxation	(18,771)	(22,224)	459	(1,800)	(9,019)	5	-	(51,350)
Income tax (expense)/credit	(470)	1,856	-	333	-	(22)	-	1,697
(Loss)/Profit for the year	(19,241)	(20,368)	459	(1,467)	(9,019)	(17)	-	(49,653)
Other material non-cash items:								
Depreciation of property, plant and equipment	(348)	(91)	(2)	(173)	(18)	(9)	-	(641)
Amortisation of intangible assets	(186)	(85)	-	-	-	-	-	(271)
Write-offs of receivables	(3,707)	(873)	-	-	(4,030)	-	-	(8,610)
Write back of trade and other payables	-	6,718	1,150	-	-	-	-	7,868
Impairment losses made on foreseeable losses for WIP	(8,954)	(5,956)	-	-	(242)	-	-	(15,152)
Write back/ (write off) of related parties receivables	(814)	-	-	-	-	-	-	(814)
Write off of service concession receivables	-	(16,665)	-	-	-	-	-	(16,665)
Impairment losses on inventories	(6)	(450)	-	-	-	-	-	(456)
Impairment losses on goodwill	-	(4,044)	-	-	-	-	-	(4,044)
Transaction costs for conversion of bonds to shares	(720)	-	-	-	-	-	-	(720)
Other information								
- Capital expenditure	91	2,219	-	9	1	-	-	2,320
- Non-current assets*	897	253	1,070	1,995	138	18	-	4,371
Segment assets	46,743	26,064	25,762	17,829	852	23,696	(49,007)	91,939
Associates and jointly controlled entities	-	-	909	-	106	-	-	1,015
Investment in unquoted equity	79	518	-	-	-	9,849	-	10,446
Total assets	46,822	26,582	26,671	17,829	958	33,545	(49,007)	103,400
Segment liabilities	63,279	22,881	58,445	8,996	9,669	537	(49,007)	114,800

(a) Geographical Segments

	Singapore	The PRC	Middle East	Vietnam	Thailand	Other countries	Elimination	Total
31 December 2013	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000	S\$'000	S\$'000
Revenue								
Revenue from external customers	41,246	9,307	50	19,482	857	214	-	71,156
Inter-segment revenue	130	-	-	-	-	297	(427)	-
Total	41,376	9,307	50	19,482	857	511	(427)	71,156
Operating profit/(loss)	1,490	(8,902)	(33,341)	689	(825)	(310)	-	(41,199)
Finance income	440	1,591	-	61	1	-	-	2,093
Finance costs	(738)	(707)	(905)	-	(6)	(2)	-	(2,358)
Share of results of associates, net of tax	-	-	60	-	-	-	-	60
Share of results of jointly controlled entities, net of tax	(12)	-	-	-	-	-	-	(12)
Impairment loss on associates	-	(1,256)	-	-	-	-	-	(1,256)
Profit/(loss) before taxation	1,180	(9,274)	(34,186)	750	(830)	(313)	-	(42,672)
Income tax (expense)/credit	(5)	-	-	(153)	(118)	14	-	(262)
Profit/(loss) for the year	1,175	(9,274)	(34,186)	597	(948)	(298)	-	(42,934)
Other material non-cash items:								
Depreciation of property, plant and equipment	(437)	(263)	(4)	(187)	(17)	(10)	-	(918)
Amortisation of intangible assets	(108)	(84)	-	-	-	-	-	(192)
Allowance for impairment reversed/(made) for doubtful trade receivables	(275)	(209)	(73)	(4)	(284)	-	-	(845)
Write-offs of receivables	(37)	-	(20,626)	-	-	-	-	(20,663)
Impairment losses made on foreseeable losses for WIP	-	(7,171)	-	-	-	-	-	(7,171)
Impairment losses made on amounts due from related party	-	-	(11,638)	-	-	-	-	(11,638)
Impairment losses on inventories	(1)	-	-	-	-	-	-	(1)
Impairment losses on goodwill	-	(50)	-	-	-	-	-	(50)
Other information								
- Capital expenditure	242	7,647	-	10	4	2	-	7,905
- Non-current assets*	6,988	28,795	991	2,317	164	24	-	39,279
Segment assets	49,334	55,231	23,601	22,207	6,850	12,486	(19,534)	150,175
Associates and jointly controlled entities	54	73	835	140	120	-	-	1,222
Investment in unquoted equity	79	537	-	-	-	2,004	-	2,620
Total assets	49,467	55,841	24,436	22,347	6,970	14,490	(19,534)	154,017
Segment liabilities	37,262	36,252	54,568	11,952	6,234	476	(19,534)	127,210

* Excludes other investments and deferred tax assets.

(b) Business segments

	Revenue		Assets		Capital Expenditure	
	2014	2013	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Mechanical, Engineering & Plumbing	6,740	18,122	32,351	36,482	3	6
Information Communication Technology	7,023	35,769	8,791	46,330	27	264
Maintenance, Sales of products & Others	16,421	17,265	33,514	37,663	79	137
Unallocated	-	-	28,744	33,542	2,211	7,498
	<u>30,184</u>	<u>71,156</u>	<u>103,400</u>	<u>154,018</u>	<u>2,320</u>	<u>7,905</u>

14. 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.

15. A breakdown of sales

	The Group	
	Actual Full Year Ended 31 December 2014	Actual Full Year Ended 31 December 2013
Sales reported for first half year	18,420	32,134
Operating profit after tax before non-controlling interests reported for first half year	24	(923)
Sales reported for second half year	11,764	39,022
Operating profit after tax before non-controlling interests reported for second half year	(49,677)	(42,011)

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

	Latest Full Year (Proposed) S\$'000	Previous Full Year (Paid) S\$'000
Total Annual Dividend		
Ordinary, tax exempt one tier	<u>Nil</u>	<u>Nil</u>

17. Interested Person Transactions

If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained.

18. 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 office 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.

Name	Age	Family relationship with a director or Chief Executive officer or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
David Ong Liang Eng	56	Brother to Michael Ong Liang Huat (Executive Director and Group Chief Executive Officer).	Chief Executive Officer of CNA China Co., Ltd since September 2005. Responsible for operations, business development and finance of CNA China.	NIL

BY ORDER OF THE BOARD

Lun Chee Leong
Company Secretary
13 July 2015