

**NOVO GROUP LTD.**  
(Incorporated in Singapore)  
(Company Registration No. 198902648H)

**UNAUDITED FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 JULY 2014**

**PART I INFORMATION REQUIRED FOR THE QUARTERLY RESULTS ANNOUNCEMENT**

The board of directors (the “Board”) of Novo Group Ltd. (the “Company”, and, together with its subsidiaries, the “Group”) wishes to announce the following unaudited results of the Group for the first quarter ended 31 July 2014.

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

**Income Statement for the first quarter ended 31 July 2014**

	<b>The Group</b>		
	<b>3 months period ended</b>		
	<b>31 July 2014</b>	<b>31 July 2013</b>	<b>Increase/ (Decrease)</b>
	<i>US\$'000</i>	<i>US\$'000</i>	<b>%</b>
Revenue	<b>62,607</b>	32,035	95.4%
Cost of sales	<b>(63,055)</b>	(30,364)	107.7%
Gross (loss)/profit	<b>(448)</b>	1,671	NM
Other income	<b>851</b>	456	86.6%
Distribution and selling expenses	<b>(1,896)</b>	(2,326)	(18.5%)
Administrative expenses	<b>(2,333)</b>	(2,334)	–
Other operating expenses	<b>(147)</b>	(135)	8.9%
Finance costs	<b>(1,419)</b>	(922)	53.9%
Loss before tax	<b>(5,392)</b>	(3,590)	50.2%
Income tax	<b>(9)</b>	(6)	50.0%
Loss for the period	<b><u>(5,401)</u></b>	<b><u>(3,596)</u></b>	<b><u>50.2%</u></b>
<b>Attributable to:</b>			
Owners of the Company	<b>(5,058)</b>	(3,524)	
Non-controlling interests	<b>(343)</b>	(72)	
	<b><u>(5,401)</u></b>	<b><u>(3,596)</u></b>	

NM – not meaningful

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**Consolidated Statement of Comprehensive Income**

	<b>The Group</b>		
	<b>3 months period ended</b>		
	<b>31 July 2014</b>	31 July 2013	Increase/ (Decrease)
	<i>US\$'000</i>	<i>US\$'000</i>	%
Loss for the period	<b>(5,401)</b>	(3,596)	50.2%
<b>Other comprehensive (expenses)/income:</b>			
Exchange differences on translation of the Group's overseas operations, net of nil tax	<b>(273)</b>	169	NM
Total comprehensive expense for the period	<b><u>(5,674)</u></b>	<b><u>(3,427)</u></b>	65.6%
<b>Attributable to:</b>			
Owners of the Company	<b>(5,212)</b>	(3,377)	
Non-controlling interests	<b>(462)</b>	(50)	
	<b><u>(5,674)</u></b>	<b><u>(3,427)</u></b>	

*NM – not meaningful*

**1. (a)(ii) Notes to the Income Statement and Statement of Comprehensive Income**

	<b>The Group</b>	
	<b>3 months period ended</b>	
	<b>31 July 2014</b>	31 July 2013
	<i>US\$'000</i>	<i>US\$'000</i>
Loss for the period is stated after charging/(crediting):		
Amortisation of deferred income	<b>(77)</b>	(1)
Amortisation of land use rights	<b>27</b>	–
Depreciation of property, plant and equipment	<b>137</b>	165
Fair value (gain)/losses on derivative financial instruments	<b>(11)</b>	124
Interest expense	<b>1,167</b>	880
Interest income	<b>(294)</b>	(130)
Losses on disposal of property, plant and equipment	<b>26</b>	–
Net exchange losses/(gain)	<b>55</b>	(50)
Net realised loss on derivative financial instruments	<b>104</b>	61

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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**

**Statements of Financial Position**

	The Group		The Company	
	As at 31 July 2014 <i>US\$'000</i>	As at 30 April 2014 <i>US\$'000</i>	As at 31 July 2014 <i>US\$'000</i>	As at 30 April 2014 <i>US\$'000</i>
<b>Non-current assets</b>				
Property, plant and equipment	72,331	73,269	–	–
Land use right	6,478	6,133	–	–
Goodwill	4	4	–	–
Investments in subsidiaries	–	–	79,460	79,460
	<b>78,813</b>	79,406	<b>79,460</b>	79,460
<b>Current assets</b>				
Inventories	14,643	16,571	–	–
Derivative financial instruments	9	–	–	–
Trade and other receivables	52,483	40,004	44,916	41,271
Pledged bank deposits	39,993	34,041	–	–
Cash and cash equivalents	19,940	12,780	166	115
	<b>127,068</b>	103,396	<b>45,082</b>	41,386
<b>Total assets</b>	<b>205,881</b>	182,802	<b>124,542</b>	120,846
<b>Non-current liabilities</b>				
Borrowings – unsecured	15,594	–	–	–
Deferred income	1,218	1,311	–	–
	<b>16,812</b>	1,311	–	–
<b>Current liabilities</b>				
Trade and other payables	87,265	71,730	12,696	8,911
Deferred income	308	294	–	–
Derivative financial instruments	35	37	–	–
Borrowings – secured	66,210	68,480	–	–
Tax payable	8	33	–	–
	<b>153,826</b>	140,574	<b>12,696</b>	8,911
<b>Total liabilities</b>	<b>170,638</b>	141,885	<b>12,696</b>	8,911
<b>Net assets</b>	<b>35,243</b>	40,917	<b>111,846</b>	111,935

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	The Group		The Company	
	As at 31 July 2014 <i>US\$'000</i>	As at 30 April 2014 <i>US\$'000</i>	As at 31 July 2014 <i>US\$'000</i>	As at 30 April 2014 <i>US\$'000</i>
<b>Equity</b>				
Share capital	32,239	32,239	108,740	108,740
(Accumulated losses)/retained earnings	(5,248)	(191)	505	594
Foreign currency translation reserve	1,104	1,259	–	–
Statutory reserve	33	33	–	–
Other reserve	2,680	2,680	2,601	2,601
Total equity attributable to owners of the Company	30,808	36,020	111,846	111,935
Non-controlling interests	4,435	4,897	–	–
<b>Total equity</b>	<b>35,243</b>	<b>40,917</b>	<b>111,846</b>	<b>111,935</b>

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

	The Group		The Group	
	As at 31 July 2014		As at 30 April 2014	
	Secured	Unsecured	Secured	Unsecured
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Amount repayable in one year or less	66,210	–	68,480	–
Amount repayable after one year	15,594	–	–	–

Details of any collateral:

The Group's borrowings for trading operations are secured by:

- legal pledge on the Group's leasehold land and buildings;
- legal pledge on the Group's deposits and cash margin;
- pledge of assets (cargo and related proceeds) underlying the financed transactions;
- corporate cross guarantees between joint borrowers when appropriate; and
- corporate guarantees of the Company.

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The Group's borrowings for the project loan and working capital loan granted to one of the subsidiaries are secured by:

- legal pledge of equity interest agreement, escrow account agreement, insurance agreement and receivables agreements;
- legal pledge of leasehold land, construction in progress, plant and equipment;
- share charge on a subsidiary;
- floating mortgage; and
- corporate guarantees of the Company.

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

**Consolidated Statement of Cash Flows**

	<b>The Group</b>	
	<b>3 months period ended</b>	
	<b>31 July 2014</b>	<b>31 July 2013</b>
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Cash flows from operating activities</b>		
Loss before tax	(5,392)	(3,590)
Adjustments for:		
Amortisation of deferred income	(77)	(1)
Amortisation of land use right	27	–
Depreciation of property, plant and equipment	572	165
Fair value (gain)/losses on derivative financial instruments	(11)	124
Interest expense	1,167	880
Interest income	(294)	(130)
Losses on disposal of property, plant and equipment	26	–
Net realised (gain)/loss on derivative financial instruments	(104)	61
	<hr/>	<hr/>
Operating cash flow before movements in working capital	(4,086)	(2,491)
Inventories	1,928	5,143
Trade and other receivables	(12,595)	(4,354)
Trade and other payables	18,954	8,544
Currency translation differences	(200)	120
	<hr/>	<hr/>
<b>Cash generated from operations</b>	<b>4,001</b>	<b>6,962</b>
Income tax paid	(34)	(3)
Interest income received	294	130
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>4,261</b>	<b>7,089</b>

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	<b>The Group</b>	
	<b>3 months period ended</b>	
	<b>31 July 2014</b>	<b>31 July 2013</b>
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	2	1
Purchase of property, plant and equipment	(3,067)	(7,604)
Acquisition of land use rights	(382)	–
Net cash received from/(paid to) realised derivative financial instruments	104	(400)
<b>Net cash used in investing activities</b>	<b>(3,343)</b>	<b>(8,003)</b>
<b>Cash flows from financing activities</b>		
Increase in fixed deposits and cash pledged	(5,952)	(1,823)
(Repayment of)/net proceed from short term borrowings	(2,233)	144
Drawdown of bank borrowings	16,844	–
Repayments of bank borrowings	(1,250)	(1,635)
Interest expense paid	(1,167)	(1,107)
Consideration received from non-controlling interest on disposal of 50% interest in a subsidiary	–	4,285
<b>Net cash (used in)/generated from financing activities</b>	<b>6,242</b>	<b>(136)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>7,160</b>	<b>(1,050)</b>
Cash and cash equivalents at beginning of period	12,780	9,972
Effect of currency translation on cash and cash equivalents	–	(75)
<b>Cash and cash equivalents at end of period</b>	<b>19,940</b>	<b>8,847</b>
Cash and cash equivalents are represented by:		
Cash and bank balances	59,933	19,848
Less: Fixed deposits and cash subjected to restriction	(39,993)	(11,001)
	<b>19,940</b>	<b>8,847</b>

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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

**Statement of Changes in Equity**

	Share capital US\$'000	Retained earnings/ (Accumulated losses) US\$'000	Foreign currency translation reserve US\$'000	Statutory reserve US\$'000	Other reserve US\$'000	Equity attributable to owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
<b>Group</b>								
Balance at 1 May 2013	32,239	14,307	1,036	33	2,601	50,216	1,542	51,758
Changes in ownership interest in a subsidiary that do not result in loss of control	–	208	–	–	–	208	4,077	4,285
Total comprehensive income/ (expense) for the period	–	(3,524)	147	–	–	(3,377)	(50)	(3,427)
<b>Balance at 31 July 2013</b>	<b><u>32,239</u></b>	<b><u>10,991</u></b>	<b><u>1,183</u></b>	<b><u>33</u></b>	<b><u>2,601</u></b>	<b><u>47,047</u></b>	<b><u>5,569</u></b>	<b><u>52,616</u></b>
Balance as at 1 May 2014	32,239	(191)	1,259	33	2,680	36,020	4,897	40,917
Total comprehensive income/ (expense) for the period	–	(5,057)	(155)	–	–	(5,212)	(462)	(5,674)
<b>Balance at 31 July 2014</b>	<b><u>32,239</u></b>	<b><u>(5,248)</u></b>	<b><u>1,104</u></b>	<b><u>33</u></b>	<b><u>2,680</u></b>	<b><u>30,808</u></b>	<b><u>4,435</u></b>	<b><u>35,243</u></b>

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<u>Company</u>	Share capital <i>US\$ '000</i>	Retained earnings <i>US\$ '000</i>	Other Reserve <i>US\$ '000</i>	Total equity <i>US\$ '000</i>
Balance at 1 May 2013	108,740	2,480	2,601	113,821
Total comprehensive income for the period	—	(97)	—	(97)
<b>Balance at 31 July 2013</b>	<b><u>108,740</u></b>	<b><u>2,383</u></b>	<b><u>2,601</u></b>	<b><u>113,724</u></b>
Balance at 1 May 2014	108,740	594	2,601	111,935
Total comprehensive income for the period	—	(89)	—	(89)
<b>Balance at 31 July 2014</b>	<b><u>108,740</u></b>	<b><u>505</u></b>	<b><u>2,601</u></b>	<b><u>111,846</u></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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

There was no change in the Company's share capital since the end of the previous period reported on. As at 31 July 2014 and 30 April 2014, the Company's issued and fully paid-up shares were 170,804,269 ordinary shares with voting rights.

There were no outstanding convertibles as at 31 July 2014 and 31 July 2013.

There were neither treasury shares nor share option outstanding as at 31 July 2014 and 31 July 2013.



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

	<b>The Company</b>	
	<b>As at 31 July 2014</b>	<b>As at 30 April 2014</b>
Total number of issued shares, excluding treasury shares	<b>170,804,269</b>	170,804,269

There were no treasure shares as at 31 July 2014 and 30 April 2014.

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

Not applicable.

2. **Where the figures has been audited or reviewed, and in accordance with which auditing standard or practice**

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those used in the most recently audited financial statements for the year ended 30 April 2014, except for the adoption of new/revised Financial Reporting Standards ("FRS") and interpretations of FRS ("INT FRS") applicable to the Group for the financial period beginning on or after 1 May 2013.

The adoption of new/revised FRS and INT FRS have no material financial impact on the financial statements.

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**

Please refer to Item 4 above.

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6. **Loss 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>The Group</b>	
	<b>3 months period ended</b>	
	<b>31 July</b>	<b>31 July</b>
	<b>2014</b>	<b>2013</b>
	<i>(in US Cents)</i>	<i>(in US Cents)</i>
Loss per ordinary share:		
(a) Based on weighted average number of ordinary shares on issued; and	<b>(2.96)</b>	(2.06)
(b) On a fully diluted basis	<b>(2.96)</b>	(2.06)
Details:		
Loss attributable to shareholders (stated in US\$'000)	<b>(5,058)</b>	(3,524)
	<b>Number of shares</b>	
	<b>(stated in '000)</b>	
	<b>3 months period ended</b>	
	<b>31 July</b>	<b>31 July</b>
	<b>2014</b>	<b>2013</b>
Weight average number of ordinary shares	<b>170,804</b>	170,804

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

(a) **Current financial period reported on; and**

(b) **Immediately preceding financial year.**

	<b>The Group</b>		<b>The Company</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31 July</b>	<b>30 April</b>	<b>31 July</b>	<b>30 April</b>
	<b>2014</b>	<b>2014</b>	<b>2014</b>	<b>2014</b>
	<i>(in US cents)</i>	<i>(in US cents)</i>	<i>(in US cents)</i>	<i>(in US cents)</i>
Net assets value per ordinary share based on issued share capital of the issuer	<b>20.6</b>	24.0	<b>65.5</b>	65.5
Number of shares in issue as at end of period ('000)	<b>170,804</b>	170,804	<b>170,804</b>	170,804

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### Review of Performance

#### **Revenue**

The Group's revenue was approximately US\$62.6 million for the period ended 31 July 2014 ("1QFY2015"), representing an increase of approximately 95.4% as compared with approximately US\$32.0 million for the period ended 31 July 2013 ("1QFY2014").

The trading business results in 1QFY2015 have been adversely impacted by the turbulent market conditions. Revenue from trading segment increased from approximately US\$21.5 million in 1QFY2014 to approximately US\$42.4 million in 1QFY2015, representing approximately 67.2% and 67.8% of total Group's revenue in 1QFY2014 and 1QFY2015, respectively. Despite the challenging operating environment, the Group is pleased to note that our effort to tinsplate manufacturing business in Jiangsu and tinsplate processing business in Tianjin are starting to bear fruit. Revenue from tinsplate manufacturing business and tinsplate processing business accounted for approximately 24.2% and 8.0% of the Group's total revenue in 1QFY2015, respectively.

In terms of geographical contribution, North Asia market, our main focused market, contributed revenues of approximately US\$54.2 million in 1QFY2015, as compared to approximately US\$30.1 million in 1QFY2014, accounted for approximately 86.5% and 93.8% of total revenue in 1QFY2015 and 1QFY2014, respectively. Revenue derived from South East Asia market increased from approximately US\$1.4 million in 1QFY2014 to approximately US\$3.4 million in 1QFY2015. The South East Asia market accounted for approximately 4.3% and 5.4% of the Group's total revenue in 1QFY2014 and 1QFY2015, respectively. Other regions contributed approximately US\$5.1 million revenue in 1QFY2015 as compared to approximately US\$603,000 in 1QFY2014, representing approximately 8.1% and 1.9% of the Group's total revenue in 1QFY2015 and 1QFY2014, respectively.

#### **Gross (loss)/profit**

The Group's gross loss was approximately US\$448,000 in 1QFY2015 as compared with gross profit of approximately US\$1.7 million in 1QFY2014, which was due to trial production manufacturing costs incurred from Jiangsu tinsplate manufacturing plant during the reported period (the "TPM Costs") were classified as expenses which could not be capitalised after 30 April 2014 and the TPM Costs were partially offset by gross profit contributed by other subsidiaries of the Company.

### **Other income**

Other income increased by approximately 86.6% from approximately US\$456,000 in 1QFY2014 to approximately US\$851,000 in 1QFY2015 due to compensation government grant received.

### **Distribution and selling expenses**

The Group's distribution and selling expenses decreased by approximately US\$0.4 million from approximately US\$2.3 million in 1QFY2014 to approximately US\$1.9 million in 1QFY2015. The decrease mainly came from changes in trading terms of the Group's trading business.

### **Administrative expenses**

Administrative expenses remain steady, accounted for approximately US\$2.3 million in both 1QFY2015 and 1QFY2014.

### **Finance costs**

Finance costs were up from approximately US\$922,000 in 1QFY2014 to approximately US\$1.4 million in 1QFY2015, which was primarily due to increase in borrowings of Jiangsu tinplate manufacturing business for working capital purposes.

### **Other operating expenses**

Other operating expenses incurred in the current reported period mainly comprised with a net realised loss from non-deliverable forward contracts amounted to approximately US\$104,000 while fair value gains on non-deliverable forward contracts for managing price fluctuation risk of international trade accounted for approximately US\$11,000 were recorded in 1QFY2015.

### **Review of Financial Position and Cash Flow**

#### **Property, plant and equipment**

Property, plant and equipment decreased by approximately US\$938,000 from approximately US\$73.3 million as at 30 April 2014 to approximately US\$72.3 million as at 31 July 2014.

## **Inventories**

Group's inventories decreased from approximately US\$16.6 million as at 30 April 2014 to approximately US\$14.6 million as at 31 July 2014, approximately 18.2%, 46.7% and 35.1% of total inventories as at 31 July 2014 were held for trading business, tinsplate manufacturing business and tinsplate processing business respectively, where approximately 5.7%, 50.9% and 43.4% of total inventories as at 30 April 2014 were held for trading business, tinsplate manufacturing business and tinsplate processing business, respectively.

## **Trade and other receivables**

Trade and other receivables increased from approximately US\$40.0 million as at 30 April 2014 to approximately US\$52.5 million as at 31 July 2014. Distribution of trade and bills receivables and other receivables were approximately 37.3% (approximately US\$19.6 million) and 62.7% (approximately US\$32.9 million) of total receivables as at 31 July 2014, compared to approximately 36.5% (approximately US\$14.6 million) and 63.5% (approximately US\$25.4 million) of total receivables as at 30 April 2014.

The increase of trade and other receivables in the current reported period was mainly due to the increase of bills receivables of trading business and increase of other receivables of tinsplate processing business.

## **Trade and other payables**

Trade and other payables increased from approximately US\$71.7 million as at 30 April 2014 to approximately US\$87.3 million as at 31 July 2014. Distribution of trade payables and other payables were approximately 75.4% (approximately US\$65.8 million) and 24.6% (approximately US\$21.5 million) of total payables as at 31 July 2014, compared to approximately 80.6% (approximately US\$57.8 million) and 19.4% (approximately US\$13.9 million) of total payables as at 30 April 2014. The increase in trade and bills payables was mainly derived from the increase in trade payables recorded by tinsplate processing business, which accounted for approximately US\$5.7 million as at 31 July 2014.

## **Liquidity and financial resources**

The Group's borrowings increased from approximately US\$68.5 million as at 30 April 2014 to approximately US\$81.8 million as at 31 July 2014. Borrowings related to the tinsplate manufacturing business and tinsplate processing business accounted for approximately US\$46.8 million and US\$48.8 million, representing approximately 57.2% and 71.2% of total borrowings of the Group as at 31 July 2014 and 30 April 2014 respectively. The borrowings under non-current liabilities represent an import and export credit facility from a strategic partner to facilitate the working capital requirement of the Group. At as 31 July 2014, the total borrowings used for long term capital expenditure and working capital were approximately US\$24.0 million and US\$42.2 million respectively. An aggregate of cash and cash equivalents and pledged bank deposits increased from approximately US\$12.8 million as at 30 April 2014 to approximately US\$19.9 million as at 31 July 2014, which represents approximately 31.2% and 50.5% of the Group's net assets value as at 30 April 2014 and 31 July 2014 respectively.

**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 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 reported period and the next 12 months**

The Group believes steel products and iron ore prices will remain a low and range-bound trade in near term. The lower cost on commodities has provided a significant relief towards the pressure on purchasing and will provide a favorable position for the Group's iron ore and steel products trading business. In response to the emerging of the European and the Southeast asian markets, the Group will allocate more resources and focus to seize business opportunities in the European and the Southeast asian markets. In the coming months, we will continue to foster our export business and explore potential customers to expand our geographic reach. The Group will strive to enter into new high-end packaging market for the beverage, food and consumer packaged goods in order to bring in a new profit driver.

**11. Dividend**

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

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

None.

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

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

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

The Directors do not recommend any dividend for the first quarter ended 31 July 2014.

- 13. If the Group has obtained a general mandate from shareholders for interested person transaction, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited. If no interested person transaction mandate has been obtained, a statement to that effect**

The Company has not obtained any general mandate from shareholders pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

- 14. Negative confirmation pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited**

On behalf of the Board, Mr. Yu Wing Keung Dicky and Mr. Chow Kin Wa, the Executive Directors of the Company, confirm to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements of the Group for 1QFY2015 to be false or misleading in any material aspect.

**By order of the Board**

**Yu Wing Keung Dicky**  
*Executive Chairman*

**Chow Kin Wa**  
*Executive Director and CEO*

12 September 2014