



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

**QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) ON
UNAUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2014
 (“FY2014”)**

The Board of Directors of CNA Group Ltd (the “Company”) refers to the following queries from the SGX-ST on FY2014 Results and wishes to respond to the queries as follows:-

- (a) “We note that the Group is in a negative working capital position as at 31 December 2014 and has negative cash flows used in operating activities of \$481,000 for the period ended 31 December 2014. In this regard, please explain whether the Group is able to meet its short-term obligations as and when they fall due, and the bases for the Company’s position.”

The Company is of the view that with a current contract work-in-progress of S\$29.6 million, order book of S\$77.1 million and current banking facilities, we are able to meet our short-term obligations as and when they fall due.

- (b) “We note that the Group’s current trade and other receivables increased by approximately 1.18% from S\$43,222,000 as at 31 December 2013 to S\$43,730,000 as at 31 December 2014. In this regard, please explain the Company’s statement in the review of the financial position of the Group, “Current trade receivables decreased from S\$43.2 million to S\$43.7 million primarily due to improved collections...”.”

This is an inadvertent error. The increase in current trade and other receivables is due to increased project billings in 4Q14.

By order of the Board of CNA Group Ltd

Company Secretary,
Lun Chee Leong

10 March 2015