

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



# 遠東環球集團有限公司 FAR EAST GLOBAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 830)

## ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2015

The board of directors (the “Board”) of Far East Global Group Limited (the “Company”) hereby announces the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2015 together with comparative figures as follows:

### UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	For the six months ended 30 June	
		2015 HK\$'000	2014 HK\$'000
Revenue	3	963,408	725,244
Costs of sales		(834,055)	(621,259)
Gross profit		129,353	103,985
Other income and other gains, net	4	1,758	8,546
Administrative expenses		(82,063)	(92,648)
Distribution and selling expenses		(5,931)	(9,268)
Finance costs	5	(6,109)	(4,790)
Profit before tax	6	37,008	5,825
Income tax (charge)/credit	7	(2,254)	15,691
Profit for the period		34,754	21,516
Profit/(loss) for the period attributable to:			
Owners of the Company		48,986	40,386
Non-controlling interests		(14,232)	(18,870)
		34,754	21,516
Earnings per share (HK cents)			
Basic and diluted	9	2.27	1.87

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
Profit for the period	<u>34,754</u>	<u>21,516</u>
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences arising on translation of foreign operations	(13,772)	(8,454)
Gain on fair value changes of available-for-sale investments	<u>113</u>	<u>-</u>
Other comprehensive income for the period, net of tax	<u>(13,659)</u>	<u>(8,454)</u>
Total comprehensive income for the period	<u><b>21,095</b></u>	<u>13,062</u>
Total comprehensive income for the period attributable to:		
Owners of the Company	42,682	34,431
Non-controlling interests	<u>(21,587)</u>	<u>(21,369)</u>
	<u><b>21,095</b></u>	<u>13,062</u>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		<b>30 June</b>	<b>31 December</b>
		<b>2015</b>	<b>2014</b>
	Notes	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(unaudited)</b>	<b>(audited)</b>
<b>Non-current Assets</b>			
Property, plant and equipment		<b>148,208</b>	154,525
Goodwill	10	<b>138,149</b>	138,149
Deposits and prepayments		-	1,654
Available-for-sale investments		<b>18,966</b>	18,853
Deferred tax assets		<b>173,840</b>	154,801
		<b>479,163</b>	467,982
<b>Current Assets</b>			
Inventories		<b>8,864</b>	12,551
Amounts due from customers for contract work		<b>648,132</b>	672,474
Trade and other receivables	11	<b>468,340</b>	468,832
Deposits and prepayments		<b>46,170</b>	30,739
Tax recoverable		<b>2,737</b>	4,760
Bank and cash balances		<b>237,085</b>	242,030
		<b>1,411,328</b>	1,431,386

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION (continued)**

		<b>30 June</b>	31 December
		<b>2015</b>	2014
	Notes	<u>HK\$'000</u>	<u>HK\$'000</u>
		<b>(unaudited)</b>	<b>(audited)</b>
<b>Current Liabilities</b>			
Bank and other borrowings	12	<b>163,964</b>	119,585
Amounts due to customers for contract work		<b>51,514</b>	33,864
Trade payables, other payables and accruals	13	<b>284,111</b>	329,462
Finance lease payables		<b>994</b>	998
Current tax payables		<b>38,479</b>	23,824
Dividend payables		<b>10,778</b>	-
Amounts due to fellow subsidiaries		<b>31,178</b>	59,311
Deposits received and advances from customers		<b>48,978</b>	80,497
		<u><b>629,996</b></u>	<u>647,541</u>
<b>Net Current Assets</b>		<u><b>781,332</b></u>	<u>783,845</u>
<b>Total Assets less Current Liabilities</b>		<u><b>1,260,495</b></u>	<u>1,251,827</u>
<b>Capital and Reserves</b>			
Share capital	14	<b>21,555</b>	21,555
Share premium and reserves		<b>1,165,213</b>	1,133,309
Equity attributable to owners of the Company		<b>1,186,768</b>	1,154,864
Non-controlling interests		<b>(144,162)</b>	(122,588)
		<u><b>1,042,606</b></u>	<u>1,032,276</u>
<b>Non-current Liabilities</b>			
Bank and other borrowings	12	<b>214,511</b>	215,778
Finance lease payables		<b>3,085</b>	3,480
Deferred tax liabilities		<b>293</b>	293
		<u><b>217,889</b></u>	<u>219,551</u>
		<u><b>1,260,495</b></u>	<u>1,251,827</u>

## NOTES:

### (1) BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars which is also the functional currency of the Company.

### (2) PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2014. The revised standard and improvements to existing standards, which are mandatory for the financial year beginning on or after 1 January 2015, are either currently not relevant to the Group or had no material impact on the Group’s condensed consolidated financial statements.

The Group has not early adopted the following new standards, amendments and improvements to existing standards that have been issued but are not yet effective.

Amendments to HKAS 1	Disclosure Initiative <sup>1</sup>
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>1</sup>
Amendments to HKAS 16 and HKAS 41	Bearer Plants <sup>1</sup>
Amendments to HKAS 27	Equity Method in Separate Financial Statements <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception <sup>1</sup>
Amendments to HKFRS 11	Accounting for Acquisition of Interests in Joint Operations <sup>1</sup>
HKFRS 9	Financial Instruments <sup>3</sup>
HKFRS 14	Regulatory Deferral Accounts <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>
Annual Improvements Project	Annual Improvements 2012-2014 Cycle <sup>1</sup>

## (2) PRINCIPAL ACCOUNTING POLICIES (continued)

Notes: <sup>1</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2017

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2018

The Group has not early adopted the above new standards, amendments and improvements to existing standards, and is not yet in a position to state whether there are substantial changes to the Group's accounting policies and presentation of the Group's condensed consolidated financial statements.

## (3) REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the facade contracting business and general contracting business. The Group's revenue represents revenue from construction contracts.

As a result of structure reorganization, the Group has reclassified the reportable segments into two divisions principally based on the geographical locations of the projects and are determined as follows:

- North America includes projects in the United States of America and Canada.
- Greater China, Asia and Others includes projects in Mainland China, Hong Kong and Macau, Singapore, the United Arab Emirates, Chile, Australia, the United Kingdom and maintenance projects in all segments.

Unaudited segment results for the six months ended 30 June 2015 and 2014 are as follows:

	<u>Revenue</u>		<u>Gross profit</u>		<u>Segment results</u>	
	2015	2014	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
North America	<b>363,850</b>	441,158	<b>11,549</b>	13,292	<b>(28,548)</b>	(32,954)
Greater China, Asia and Others	<b>599,558</b>	<u>284,086</u>	<b>117,804</b>	<u>90,693</u>	<b>90,945</b>	<u>63,718</u>
Total	<b>963,408</b>	<u>725,244</u>	<b>129,353</b>	<u>103,985</u>	<b>62,397</b>	30,764
Unallocated administrative expenses					<b>(19,402)</b>	(20,273)
Other income and other gains, net					<b>122</b>	124
Finance costs					<b>(6,109)</b>	<u>(4,790)</u>
Profit before tax					<b>37,008</b>	<u>5,825</u>

**(4) OTHER INCOME AND OTHER GAINS, NET**

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Bank interest income	<b>284</b>	753
Sundry income	<b>1,474</b>	7,793
	<b>1,758</b>	8,546

**(5) FINANCE COSTS**

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Interest on bank loans and overdrafts wholly repayable within five years	<b>5,966</b>	4,576
Interest on other loans wholly repayable within five years	-	74
Finance lease charges	<b>143</b>	140
Total finance costs incurred	<b>6,109</b>	4,790

**(6) PROFIT BEFORE TAX**

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Profit before tax has been arrived at after charging:		
Amortisation of project backlogs	-	7,956
Depreciation included in cost of contracting works performed	<b>3,820</b>	2,954
Depreciation included in administrative expenses	<b>4,992</b>	5,950
Depreciation included in distribution and selling expenses	<b>3</b>	7
	<b>8,815</b>	8,911

## (7) INCOME TAX CHARGE/(CREDIT)

	For the six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Current tax – Hong Kong profits tax		
Provision for the period	1,800	-
Overprovision in prior years	-	(3,062)
	<u>1,800</u>	<u>(3,062)</u>
Current tax – overseas		
Provision for the period	20,466	2,764
Underprovision/(overprovision) in prior years	100	(193)
	<u>20,566</u>	<u>2,571</u>
Deferred tax	<u>(20,112)</u>	<u>(15,200)</u>
Income tax charge/(credit) for the period	<u>2,254</u>	<u>(15,691)</u>

Hong Kong Profits Tax has been provided at a rate of 16.5% on the estimated assessable profit for the six months ended 30 June 2015 (30 June 2014 : 16.5%).

Tax charges on estimated assessable profits elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

## (8) DIVIDENDS

	For the six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
<u>Dividend recognised as distribution during the period</u>		
2014 final dividends of HK0.5 cent per share payable on 6 July 2015 (six months ended 30 June 2014: 2013 final dividend paid of HK0.5 cent per share)	<u>10,778</u>	<u>10,778</u>

The Board has declared the payment of an interim dividend of HK0.6 cent per share (30 June 2014: HK0.5 cent per share), amounting to approximately HK\$12,933,000 (30 June 2014: approximately HK\$10,778,000) payable on 5 October 2015 to shareholders whose names appear on the register of members of the Company on 11 September 2015. This interim dividend has not been recognised as a liability at the end of the reporting period.



## (9) EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	<b>For the six months ended 30 June</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Earnings</b>		
Profit attributable to owners of the Company, used in the basic and diluted earnings per share calculation	<u><b>48,986</b></u>	<u>40,386</u>
	<u><b>2015</b></u>	<u>2014</u>
	<u><b>'000</b></u>	<u>'000</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares used in the basic and diluted earnings per share calculation	<u><b>2,155,545</b></u>	<u>2,155,545</u>
Basic and diluted earnings per share (HK cents)	<u><b>2.27</b></u>	<u>1.87</u>

The diluted earnings per share for the six months ended 30 June 2015 equals to the basic earnings per share as there are no potential dilutive potential ordinary shares in issue during the period.

## (10) GOODWILL

	<u>HK\$'000</u>
Cost, at 30 June 2015 and 31 December 2014	159,707
Impairment, at 30 June 2015 and 31 December 2014	(21,558)
Carrying values, at 30 June 2015 and 31 December 2014	<u>138,149</u>

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (“CGU”) that is expected to benefit from that business combination.

For the purpose of impairment testing, the carrying amount of goodwill had been allocated to the CGU relating to the operations of Gamma North America, Inc. and its subsidiaries within the North America segment.

The recoverable amounts of the CGU are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on long-term average economic growth rate of the geographical area in which the businesses of the CGU operate. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 3%. These rates do not exceed the average long-term growth rate for the relevant markets. The pre-tax rates used to discount the forecast cash flows range from 16.1% to 18.3%.

## (11) TRADE AND OTHER RECEIVABLES

The analysis of trade and other receivables, including the aging analysis of trade receivables, based on the invoice date and net of provisions, is as follows:

	<b>30 June 2015 HK\$'000</b>	31 December 2014 HK\$'000
Trade receivables:		
0 to 30 days	<b>97,623</b>	114,500
31 to 60 days	<b>42,334</b>	89,666
61 to 90 days	<b>4,118</b>	4,187
More than 90 days	<b>50,168</b>	34,612
	<b>194,243</b>	242,965
Retention receivables	<b>228,195</b>	174,849
	<b>422,438</b>	417,814
Other receivables	<b>45,902</b>	51,018
Trade and other receivables	<b>468,340</b>	468,832

## (12) BANK AND OTHER BORROWINGS

The borrowings are repayable as follows:

	<b>30 June 2015 HK\$'000</b>	31 December 2014 HK\$'000
On demand or within one year	<b>163,964</b>	119,585
In the second year	<b>200,544</b>	200,564
In the third to fifth years, inclusive	<b>13,967</b>	15,214
	<b>378,475</b>	335,363
Less: Amount due for settlement within twelve months	<b>(163,964)</b>	(119,585)
Amount due for settlement after twelve months	<b>214,511</b>	215,778

	Hong Kong dollar HK\$'000	Canadian dollar HK\$'000	United States dollar HK\$'000	Total HK\$'000
30 June 2015	<b>200,000</b>	<b>68,911</b>	<b>109,564</b>	<b>378,475</b>
31 December 2014	200,000	17,008	118,355	335,363

The average interest rates for bank loans at 30 June 2015 was 2.97% (31 December 2014: 3.16%).

### (13) TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

The analysis of trade payables, other payables and accruals, including the aging analysis of trade payables, based on invoice date, is as follows:

	<b>30 June 2015 HK\$'000</b>	31 December 2014 HK\$'000
Trade payables:		
0 to 30 days	<b>138,366</b>	184,724
31 to 60 days	<b>7,490</b>	20,403
More than 60 days	<b>23,788</b>	14,501
	<b>169,644</b>	219,628
Retention payables	<b>41,107</b>	36,414
	<b>210,751</b>	256,042
Other payables and accruals	<b>73,360</b>	73,420
Trade payables, other payables and accruals	<b>284,111</b>	329,462

As at 30 June 2015, the amount of retention payables expected to be due after more than twelve months was approximately HK\$10,467,000 (31 December 2014: approximately HK\$5,137,000).

### (14) SHARE CAPITAL

	<u>Authorised</u>		<u>Issued and fully paid</u>	
	Number of shares '000	<b>Amount HK\$'000</b>	Number of shares '000	<b>Amount HK\$'000</b>
Ordinary share of HK\$0.01 each At 30 June 2015 and 31 December 2014	10,000,000	<b>100,000</b>	2,155,545	<b>21,555</b>

## OVERALL PERFORMANCE

For the six months ended 30 June 2015, the Group has delivered shareholder value through sustainable growth and performance. With the strong order book over the last few years and our good transformational opportunities across all business segments, the Group recorded aggregate revenue of HK\$963 million (30 June 2014: HK\$725 million), an increase of 32.8% as compared with the corresponding period of last year. The profit attributable to owners of the Company was HK\$49 million (30 June 2014: HK\$40 million), an increase of 21.3% as compared with the corresponding period of last year. The basic earnings per share was HK2.27 cents (30 June 2014: HK1.87 cents), representing the growth of 21.3% as compared with the same period last year.

### Segment analysis

North America Division achieved a turnover of HK\$364 million (30 June 2014: HK\$441 million) during the period under review, representing a decrease of about 17.5% compared to last corresponding period. This turnover contributes about 37.8% of the Group's revenue. North America has seen marked improvements in operations since arrival of new senior management in the second quarter of 2014. Gross margins on recent projects have stabilized and improved. Overhead and administrative expenses have also been lowered. North America Division generated a gross profit of HK\$12 million (30 June 2014: HK\$13 million) during the period under review. North America Division has secured two new contracts in Vancouver and Baltimore with the aggregated amount of HK\$509 million during the period under review.

Greater China, Asia and Other Division began to reap benefits from three projects of Wynn Palace Cotai, MGM Cotai and Louis XIII in Macau and the diversification into new general contracting business since 2014 as these projects contributed turnover and improved operating profit. Revenue derived from Greater China, Asia and Other Division increased by HK\$316 million, or 111%, from HK\$284 million for the six months ended 30 June 2014 to HK\$600 million for the six months ended 30 June 2015. The gross profit increased by HK\$27 million from HK\$91 million for the six months ended 30 June 2014 to HK\$118 million for the six months ended 30 June 2015.

### Administrative expenses

With continuous resources allocation and utilization, administrative expenses decreased by 11.8% to HK\$82 million (30 June 2014: HK\$93 million) for the six months ended 30 June 2015.

### Finance costs

For the six months ended 30 June 2015, the Group's finance costs were HK\$6 million (30 June 2014: HK\$5 million). The increments in bank borrowings escalated the finance costs during the period.

### New contracts awarded

The Group recorded a new contract value of HK\$1,527 million in the six months ended 30 June 2015, representing a growth of 35.4% as compared with the same period last year. Major new contracts include the following:-

- Centre of Excellence in Paediatrics in Kai Tak Development, Hong Kong
- Shangri-La Hotel, Kowloon Inland Lot No. 11205, Hong Kong
- No. 423 in No. 48 district, Castle Peak Road, So Kwun Wat, Tuen Mun, Hong Kong
- Sheung Lok Street and Sheung Shing Street, Ho ManTin, Kowloon, Hong Kong
- Chow Tai Fook Financial Center, Tianjin City, People's Republic of China
- Vancouver Urban Resort, Vancouver, Canada
- MGM National Harbor, Baltimore, USA

## LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operation with internally generated cash flow and credit facilities provided by its principal bankers in Hong Kong and Canada. At 30 June 2015, the Group had bank balances and cash of HK\$237 million (31 December 2014: HK\$242 million), total borrowings of the Group were HK\$378 million (31 December 2014: HK\$335 million). The Group's net gearing ratio (net debt to total equity) as at 30 June 2015 was approximately 13.9% (31 December 2014: 9.5%). Furthermore, the Group had unutilised banking facilities (including performance guarantee facilities, working capital facilities and loan facilities) of approximately HK\$819 million, the Group had sufficient financial resources to meet the business development and expansion. The Group's borrowings are principally on a floating rate basis and have not been hedged by any interest rate financial instruments.

The maturities of the Group's total borrowings as at 30 June 2015 and 31 December 2014 are set out as follows:

	30 June 2015 HK\$' 000	31 December 2014 HK\$' 000
On demand or within one year	163,964	119,585
More than one year but not exceeding two years	200,544	200,564
More than two years but not more than five years	13,967	15,214
Total borrowings	378,475	335,363

The portfolio of the currencies of bank deposits of the Group as at 30 June 2015 and 31 December 2014 is set out as follows:

	30 June 2015 %	31 December 2014 %
United States dollar	2	5
Hong Kong dollar	63	18
Renminbi	14	12
Macau Pataca	7	16
Great British Pound	5	2
Australian dollar	5	5
United Arab Emirates Dirham	3	37
Others	1	5

As at 30 June 2015, the Group's equity attributable to owners of the Company amounted to HK\$1,187 million (31 December 2014: HK\$1,155 million), comprising issued capital of HK\$22 million (31 December 2014: HK\$22 million) and reserves of HK\$1,165 million (31 December 2014: HK\$1,133 million).

## **TREASURY POLICY**

The Group adopts conservative treasury policy in cash and financial management. The Group's treasury activities are centralised in order to achieve better risk control and minimise cost of funds. Cash is generally placed in short-term deposits mostly denominated in Hong Kong dollar or US dollar. The Group's liquidity and financing requirements are frequently reviewed. In anticipating new investments or maturity of bank loans, the Group will consider new financing while maintaining an appropriate level of gearing.

## **EMPLOYEES AND REMUNERATION POLICY**

At 30 June 2015, the Group employed a total of 1,654 (31 December 2014: 1,519) employees. The Group has sound policies of management incentives and competitive remuneration, which align the interests of management, employees and shareholders' alike. The Group sets its remuneration policy by reference to the prevailing market conditions and the performance of the individuals concerned, subject to review from time to time. The components of the remuneration package consist of base salary, allowances, fringe benefits including medical insurance and contributions to pension funds as well as incentives such as discretionary bonus and participation in the share option scheme.

## **FOREIGN CURRENCY RISK**

The Group's foreign currency exposures primarily arise from certain sales or purchases by operating units in currencies other than the unit's functional currency where these sales or purchases are mainly denominated in United States dollar, Renminbi, Australian dollar, Canadian dollar, Pound Sterling and Macau Pataca. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currencies should the need arise.

## **PROSPECTS**

For 2015, many risks remain that affect regional economic trends, including a declining price of crude oil, unstable geopolitical conditions, Greek debt crisis, etc. It is expected that global economic development will be faced with uncertainties. In Hong Kong, a favorable construction market will continue. In Macau, the casino industry will show a downward trend. In United States, the market will maintain its growth momentum arising from 2014. As to the Mainland China economy, it is expected that a relatively high growth rate will be maintained due to stimulation policies. In the next few years, as a result of Mainland China's "new model of urbanization", reforms and innovation in the public services and the "one belt and one road" policies, enormous business opportunities are expected to arise in Mainland China, Asian countries and European markets involved in public services, infrastructure and housing construction.

**Development strategies**

The Group will continue to focus on the work schedule, quality, safety, cash and cost-effective management of projects, while improving the synergies created during in design, production and installation processes. The Group will sharpen its integrated competitive edges in its curtain wall business. By integrating resources, the Group will increase its market shares in three major markets, including Hong Kong and Macau, North America and Mainland China. Meanwhile, the Group will explore other overseas markets, while maintaining satisfactory profitability. For Hong Kong and Macau and Mainland China markets, the Group will continue to wield the advantages of CSCIHL as well as CSCECL' s larger platform, while innovating collaborative models. As to the North American market, the Group will constantly explore premium tender projects of private developers, while expanding the scale of new contracts.

In addition to constantly crystallizing achievements of integration, the Group will gauge certain critical issues and determine the proper timing for deepening and expanding the level and scope of integration work. Being able to identify and acknowledge all kinds of issues appearing over the course of integration work, the Board wishes to establish and maintain a healthy system through continuous exploration and attempts. This system will promote multilateral benefits for shareholders, the Board, the management, the employees, and clients, while continuing the growth of the Group's profitability.

In respect of its general contracting business, the Group will learn from its controlling shareholder - CSCIHL' s rich experience in project management, in particular general contracting, bringing into play the synergistic effects with CSCIHL in Hong Kong to ensure that quality projects are obtained.

In the investment field, the Group will facilitate its pace of investment and transformation, while demonstrating the synergy effects with the parent company, actively exploring the feasibility of asset injection by the parent company and leveraging their rich experiences and resources. Taking into account market conditions and government policies, the Group will closely study new development opportunities surfacing or arising from the economic upgrade in Mainland China. In doing so, the Group will maximize its capabilities of developing a dual core businesses.

**INTERIM DIVIDEND**

The Board declares the payment of an interim dividend of HK0.6 cent per share (30 June 2014: HK0.5 cent per share), payable on Monday, 5 October 2015 to shareholders whose names appear on the register of members of the Company on Friday, 11 September 2015.

**CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Thursday, 10 September 2015 to Friday, 11 September 2015, both days inclusive, for the purpose of determining shareholders' entitlement to the interim dividend.

In order to qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 9 September 2015.



## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the six months ended 30 June 2015, neither the Company nor any of its subsidiaries has made any purchase, sale or redemption of any of the Company's listed securities.

## **CORPORATE GOVERNANCE**

The Company has complied throughout the six months to 30 June 2015 with all code provisions of the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **REVIEW OF ACCOUNTS**

The unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2015 have been reviewed by the Audit Committee which comprises three Independent Non-executive Directors.

## **APPRECIATION**

I hereby express my heartfelt appreciation towards all shareholders, directors, employees, and customers for their support over the year.

By Order of the Board  
**Far East Global Group Limited**  
**Zhou Yong**  
*Chairman and Non-executive Director*

Hong Kong, 12 August 2015

*As at the date of this announcement, the Board comprises Mr. Zhou Yong as Chairman and Non-executive Director; Mr. Zhang Yifeng (Vice Chairman and Chief Executive Officer), Mr. Zhu Yijian (Vice Chairman), Mr. Wang Hai (Associate Chief Executive Officer), Mr. Chan Sim Wang and Mr. Qin Jidong as Executive Directors; and Mr. Zhou Jinsong, Mr. Hong Winn and Ms. Kwong Sum Yee Anna as Independent Non-executive Directors.*