



**FRENCKEN GROUP LIMITED**  
(Company Registration No. 199905084D)

**Announcement**

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**REPLY TO SGX QUERY REGARDING ANNUAL REPORT FOR  
THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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The Board of Directors of the Company refers to the query regarding Code of Corporate Governance from the Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 April 2015 and sets out its responses as follows:

SGX query

Guideline 11.3 of the Code of Corporate Governance 2012 (the "Code") states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company's Annual Report. The Board's commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems. The Board should also comment in the company's Annual Report on whether it has received assurance from the CEO and the CFO:

- (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and
- (b) regarding the effectiveness of the company's risk management and internal control systems.

Company's response:

Based on reports submitted by the external and internal auditors, and the system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems maintained by the management that was in place throughout the financial year and up to date of this report, the Board, with the concurrence of the Audit Committee and the assurance of the management (including the President and the Chief Financial Officer) are of the opinion that (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances and (b) the Group's system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems are adequate and effective.

On behalf of the Board,

Sim Mong Huat  
Executive Director

22 April 2015

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### **About Frencken Group Limited**

Frencken Group is a high-technology capital equipment and consumer product service provider of complete and integrated one-stop outsourcing solutions to a diversified customer base comprising of renowned global companies.

Leveraging on its advanced capabilities and strategically located facilities, the Group provides a comprehensive range of product solutions that span the entire value chain – from initial product design, development and prototyping, to engineering, final test and series manufacturing.

The Group's businesses are classified under two main divisions:

- *The **Mechatronics Division** provides solutions for the design, development and production of complex, high precision industrial machinery and capital equipment for the medical, semiconductor, analytical and industrial automation industries. The division has a network of production facilities located in The Netherlands, Singapore, China, Malaysia and USA.*
- *The **IMS Division** offers integrated design and manufacturing services for automotive, office automation, consumer and industrial products. The division has multiple operating sites in Southeast Asia (Malaysia, Thailand, Singapore and Indonesia), China, India, Switzerland and The Netherlands.*

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### **Media and Investor Relations Contact :**

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