



EUROPTRONIC GROUP LTD

(Company Registration Number 200009775K)

(Incorporated in the Republic of Singapore on 18 November 2000)

Dispute Relating to WE Components Pte. Ltd. and WE Components Co. Ltd.

Europtronic Group Ltd (the “**Company**”) wishes to inform its shareholders that WE Components Pte. Ltd. (“**WCPL**”) and WE Components Co. Ltd. (“**WCCL**”) have commenced legal proceedings in Originating Summons No. 357 of 2014 against its subsidiary, Europtronic (Singapore) Pte Ltd (“**Subsidiary Company**”) whereby WCPL and WCCL claim for an account of and an inquiry into funds which have been received by the Subsidiary Company from the customers of WCPL and WCCL.

Legal proceedings were filed on 17 April 2014 and the originating process were formally served on the Subsidiary Company today, despite a letter from the solicitors of WCPL and WCCL to its Subsidiary Company’s solicitors on 23 April 2014 stating that legal proceedings had been commenced.

WCPL, WCCL and the Subsidiary Company are parties to an agreement in which the Subsidiary Company agreed to sell components to the customers of WCPL and WCCL.

The Company’s lawyers had informed the Company that, amongst the reliefs sought, WCPL and WCCL have sought for an order that the Subsidiary Company be restrained, pending the trial of this matter, from dealing with the monies received by the Subsidiary Company from the customers of WCPL and WCCL.

The Subsidiary Company maintains that there is no basis for WCPL and WCCL to initiate legal proceedings against the Subsidiary Company. The Subsidiary Company intends to vigorously resist the allegations made by WCPL and WCCL.

The Company is currently assessing the financial impact of the legal proceedings against the Subsidiary Company. The Company will make further announcements, as appropriate, to update shareholders.

In the meantime, shareholders of the Company are advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests, and to exercise caution when dealing with shares in the Company.

By Order of the Board
Europtronic Group Ltd

HUANG SHIH-AN
Chairman
28 April 2014