



EUROPTRONIC GROUP LTD

(Company Registration Number 200009775K)

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

COMMENCEMENT OF ARBITRATION PROCEEDINGS AGAINST NANTONG JIANGHAI POWER ELECTRONICS CO., LTD

The Board of Directors of Europtonic Group Ltd (the “**Company**”) refers to the announcements made on 7 July 2016, 18 July 2016, 10 January 2017 relating to the proposed sale by the Company of its entire interest in Europtonic (Suzhou) Co., Ltd (“**Europtronic Suzhou**”) to Nantong Jianghai Power Electronics Co., Ltd (南通新江海动力电子有限公司) (“**Nantong Jianghai**”), the update announcement made on 7 November 2017 (the “**Update Announcement**”) and the clarification announcements made on 9 November 2017 and 5 February 2018.

Unless otherwise defined, all capitalised terms shall bear the same meanings ascribed to them in the Update Announcement.

Under the terms of the sale and purchase agreement dated 4 July 2016 entered into between the shareholders of Europtonic Suzhou (including the Company and collectively referred to as the “**Europtronic Suzhou Shareholders**”) and Nantong Jianghai, the Europtonic Suzhou Shareholders shall dispose their entire interest in Europtonic Suzhou to Nantong Jianghai at the cash consideration of RMB180,000,000 in aggregate (the “**Sale Price**”).

The Sale Price, subject to certain conditions being fulfilled, is payable by Nantong Jianghai in three instalments, i.e. the First Instalment for the sum of RMB90,000,000 and the Second Instalment and the Third Instalment each for the sum of RMB45,000,000.

As at the date of this announcement, the Europtonic Suzhou Shareholders have received the First Instalment and have yet to receive the Second Instalment and the Third Instalment.

The Company wishes to announce that the Europtonic Suzhou Shareholders (including the Company) had today commenced arbitration proceedings against Nantong Jianghai by filing an application for arbitration with the China International Economic and Trade Arbitration Commission in relation to the payment of the Second Instalment by Nantong Jianghai to the Europtonic Suzhou Shareholders.

The Company is working closely with its lawyers in connection with the arbitration proceedings to enforce its claims and safeguard its interests.

The Company will keep shareholders updated as and when there are material developments in relation to the arbitration.

By Order of the Board
Europtonic Group Ltd

HUANG SHIH-AN
Non-Executive Chairman
8 February 2018