



EUROPTRONIC GROUP LTD

(Company Registration Number 200009775K)

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

UPDATE ON THE PROPOSED COMPULSORY ACQUISITION OF THE LAND ON WHICH THE FACTORY AND OFFICE PREMISES OF EUROPTRONIC (SUZHOU) CO., LTD ARE ERECTED

The Board of Directors of Europtronic Group Ltd (the “**Company**”) refers to its announcements dated 30 September 2013 and 12 May 2014 relating to the formal notice received by the Company’s wholly owned subsidiary, Europtronic (Suzhou) Co., Ltd (“**Europtronic Suzhou**”), from the Wujiang Economic and Technological Development Zone (吴江经济技术开发区) (the “**PRC Authority**”) expressing its intention to compulsorily acquire the land on which the factory and office premises of Europtronic Suzhou are erected (the “**Premises**”) for urban planning by the PRC Authority (the “**Compulsory Acquisition**”).

The Company wishes to announce that Europtronic Suzhou had received from the PRC Authority a letter dated 17 December 2014 wherein the PRC Authority had informed Europtronic Suzhou that:-

- (a) the PRC Authority and Europtronic Suzhou had, for the past one (1) year, conducted valuation on the Premises, discussed and negotiated on the terms of the Compulsory Acquisition;
- (b) the PRC Authority and Europtronic Suzhou have not been able to reach an agreement relating to the amount of compensation for the Compulsory Acquisition; and
- (c) in view of such circumstances, the PRC Authority shall, in the meantime, cease to carry out the Compulsory Acquisition and the parties shall, when the opportunity arises in the future, resume or commence negotiations for the proposed acquisition by the PRC Authority of the Premises.

The Company will make an announcement if and when the PRC Authority resumes or commences negotiations with Europtronic Suzhou relating to the aforesaid acquisition.

By Order of the Board
Europtronic Group Ltd

HUANG SHIH-AN
Non-Executive Chairman
18 December 2014