



Far East Group Limited
(Company Registration No.:196400096C)

(Incorporated in the Republic of Singapore on 18 March 1964)

-
- I. **CLARIFICATION THAT THE PROPOSED ACQUISITION OF 51 UBI AVENUE 3 SINGAPORE 408858 AND THE PROPOSED DISPOSAL OF 5 THIRD LOK YANG ROAD SINGAPORE 628000 ARE SEPARATE TRANSACTIONS; AND**
- II. **APPLICATION FOR WAIVER OF CATALIST RULE 1015 IN RESPECT OF THE PROPOSED ACQUISITION OF 51 UBI AVENUE 3 SINGAPORE 408858**
-

All capitalised terms in this announcement shall, unless otherwise defined herein, have the same meanings as ascribed to them in the Earlier Announcements (as defined below).

1. The Board of Directors (the “**Board**” or the “**Directors**”) of Far East Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcements dated 11 August 2017, 8 September 2017, 22 September 2017 and 5 October 2017 in relation to the proposed acquisition and partial leaseback of 51 Ubi Avenue 3, Singapore 408858 (the “**Ubi Property**”) (the “**Proposed Acquisition**”) and its announcements dated 16 August 2017 and 28 August 2017 in relation to the proposed disposal of 5 Third Lok Yang Road, Singapore 628000 (the “**Proposed Disposal**”) (the “**Earlier Announcements**”).
2. As the relative figure as computed on the bases set out in Catalist Rule 1006(c) exceeds 100% and there is no change in control of the Company, the Proposed Acquisition would be considered a “Very Substantial Acquisition” pursuant to Catalist Rule 1015.

The Company had made an application to the SGX-ST to seek waiver from complying with the requirements under Catalist Rule 1015 (the “**Waiver**”). The Company had sought the Waiver for, *inter alia*, the following reasons:

- (a) The Proposed Acquisition will not result in a change in control of the Company as the Purchase Price will be satisfied in cash and there will be no change to the Company’s board of directors, management or controlling shareholders as a result of the Proposed Acquisition;
- (b) The Proposed Acquisition will not significantly increase the scale of operations of the Group as the Proposed Acquisition is an opportunity to streamline and improve the efficiency of the operations of the Company by consolidating the operations of the Group which are currently being carried out at separate locations;
- (c) The Proposed Acquisition will not result in an expansion of the Group’s business to a new geographical market and/or a new business segment; and

- (d) The Proposed Acquisition is not expected to have any significant adverse impact on the Group's earnings, working capital and gearing.
3. The SGX-ST had, on 7 December 2017, advised the Company that it concurs with the Company's views that the Proposed Acquisition and Proposed Disposal are separate transactions, and has no objection to granting the Waiver, having taken into account the Proposed Acquisition is an acquisition of a property and would not result in a change of risk profile given that:
- (i) There is no change in control. The Purchase Price will be settled in cash and there is no change to the board of directors/management and controlling shareholders of the Company;
 - (ii) There is no significant increase in operations. The Ubi Property is intended to consolidate the Group's operations;
 - (iii) There is no significant adverse impact on the Group's earnings, working capital and gearing; and
 - (iv) There is no expansion of the Group's business to a new geographical market and/or business segment.
4. The Waiver is subject to:
- (a) Compliance with Catalist Rule 1014 in respect of the Proposed Acquisition;
 - (b) the Company making an announcement, as soon as practicable, on the Waiver granted by the SGX-ST. The announcement must include the reasons for the Company's application and the conditions, if any, attached to the Waiver and as required under Catalist Rule 106;
 - (c) the Company procuring written undertakings from shareholders holding more than 50% of the share capital (or such requisite shareholding level) before the agreement for the Proposed Acquisition is entered into, to vote in favour of the Proposed Acquisition, such that the resolution would have been duly passed even if a shareholders' meeting is required for the purposes of approving the Proposed Acquisition. Such shareholders also have to undertake to maintain their shareholding until after the extraordinary general meeting; and
 - (d) submission of a written confirmation from the Company that the Waiver does not contravene any laws and regulations governing the Company and the Constitution of the Company.

The Company will submit, as soon as practicable, the written undertakings and confirmation described in (c) and (d) above respectively.

5. The Company will provide further updates on the Proposed Acquisition in subsequent announcements as appropriate when there are material developments to the Proposed Acquisition and/or disclose further details in accordance with the Catalist Rules.

By Order of the Board

Loh Mun Yew

Chief Executive Officer and Executive Director

8 December 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Lee Khai Yinn (Telephone: (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.