



Far East Group Limited
(Company Registration No.:196400096C)
(Incorporated in the Republic of Singapore on 18 March 1964)

INVESTMENT IN FAYI TECHNOLOGY INC.

The Board of Directors (the "**Board**" or the "**Directors**") of Far East Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that Far East Refrigeration Limited, a wholly-owned subsidiary of the Company, has subscribed for 27% equity interest in Fayi Technology Inc. ("**Taiwan Fayi**") at a consideration of TWD7,830,000 (or approximately S\$351,000 based on an exchange rate of S\$1: TWD22.3) (the "**Investment**").

Taiwan Fayi, a company incorporated in Taiwan, is principally engaged in wholesale distribution of refrigeration equipment and supplies. As at the date of this announcement, Taiwan Fayi has a registered and paid-up share capital of TWD29,000,000. Taiwan Fayi is 4.5% owned by Cheung Wai Sum, husband of Loh Pui Lai, Non-Executive Chairman of the Group. The remaining two shareholders of Taiwan Fayi are independent and unrelated third parties to the Directors, controlling shareholders of the Company and their respective associates.

The consideration for the Investment was arrived at on a willing-buyer and willing-seller basis, after taking into account Taiwan Fayi's net asset value of approximately S\$1,333,000 as at 31 December 2017, and was satisfied wholly in cash.

The Investment was funded through internal resources of the Group and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 December 2018.

Save as disclosed above, none of the Directors or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Investment, other than through their respective shareholdings (if any) in the Company.

By Order of the Board

Loh Mun Yew
Chief Executive Officer and Executive Director
25 May 2018

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

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

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