



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

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS OF THE GROUP FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

The Board of Directors (the “**Board**” or “**Directors**”) of Far East Group Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement on the unaudited full year financial statements for the financial year ended 31 December 2019 (“**FY2019**”) dated 15 April 2020 (“**Announcement**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to clarify the material variances between the unaudited financial statements of the Group for FY2019 as set out in the Announcement and the audited financial statements of the Group for FY2019 (“**Audited Financial Statements**”).

Details of the material variances and reasons for such variances are set out in the explanatory note below.

Consolidated Cash Flow Statement for FY2019

	Unaudited FY2019 (S\$'000)	Audited FY2019 (S\$'000)	Variance Increase/ (Decrease) (S\$'000)	Note
Net cash flows (used in)/generated from operating activities	(2,599)	6,872	9,471	1
Net cash flows (used in) investing activities	(12,555)	(12,582)	(27)	Immaterial
Net cash flows generated from/(used in) financing activities	2,401	(7,043)	(9,444)	1

Note:

1. The variance of approximately S\$9.4 million was mainly due to reclassification of proceeds from trade facilities utilised against trade payables. This reclassification was made upon further review by the Company’s independent auditor.

For the avoidance of doubt, the above reclassifications do not affect the Consolidated Income Statement or the Balance Sheets (including cash and cash equivalent balance) of the Audited Financial Statements.

Shareholders are advised to read the Audited Financial Statements in the Company’s annual report for FY2019 which has been made available to the shareholders on SGXNet and the Company’s website at www.fareastgroup.com.sg.

By Order of the Board

Loh Mun Yew
Chief Executive Officer and Executive Director
29 May 2020

*This announcement has reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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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