FRENCKEN GROUP LIMITED

(Company Registration No. 199905084D)

Announcement

ISSUE AND ALLOTMENT OF NEW SHARES PURSUANT TO THE EMPLOYEES' SHARE OPTION SCHEME

The Board of Directors ("Board") of Frencken Group Limited ("Company") wishes to announce the issue and allotment of 390,000 new ordinary shares in the capital of the Company, at the exercise price of S$0.224 each, pursuant to the exercise of options granted under the Employees' Share Option Scheme 2008.

The abovementioned new shares have been listed and quoted on the Singapore Exchange Securities Trading Limited on 27 December 2016.

The new shares issued rank pari passu in all respects with the existing shares of the Company.

Following the allotment and issuance of the new shares, the total number of issued and paid-up ordinary shares of the Company has increased from 406,084,709 to 406,474,709 shares.

On behalf of the Board,

Mohamad Anwar Au

Executive Director

27 December 2016

About Frencken Group

Frencken Group is a high-technology capital equipment, automotive and consumer product solution provider of complete and integrated one-stop outsourcing solutions to a diversified customer base comprising of renowned global companies.

Leveraging on its advanced capabilities and strategically located facilities, the Group provides a comprehensive range of product solutions that span the entire value chain – from initial product design, development and prototyping, to engineering, final test and manufacturing.

The Group's businesses are classified under two main divisions:

- *The **Mechatronics Division** provides solutions for the design, development and production of complex, high precision capital equipment for the medical, semiconductor, analytical and industrial automation industries. The division has a global network of production facilities located in China, Malaysia, Singapore, The Netherlands and USA.*
- *The **IMS Division** offers integrated design and manufacturing services for automotive, office automation, consumer and industrial electronics products. The division has multiple operating sites in Southeast Asia (Malaysia, Thailand, Singapore and Indonesia), China, India, Switzerland and The Netherlands.*

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