



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

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**MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS  
ANNOUNCEMENT AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL  
YEAR ENDED 31 DECEMBER 2018**

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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 2018 (“**FY2018**”) dated 28 February 2019 (“**Announcement**”).

Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the Board wishes to highlight certain adjustments to the unaudited consolidated statement of comprehensive income and consolidated statement of financial position for FY2018, following the finalization of the audit.

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

**Consolidated Statement of Comprehensive Income for FY2018**

	Unaudited FY2018 (S\$'000)	Audited FY2018 (S\$'000)	Variance Increase/ (Decrease)		Note
			(S\$'000)	%	
Distribution and selling expenses	(5,308)	(5,607)	299	5.6	1
Administrative expenses	(11,091)	(10,915)	(176)	(1.6)	1, 2
Other operating expenses	(159)	(26)	(133)	(83.6)	2

**Notes:**

1. Due to reclassification of payroll-related expenses from administrative expenses to distribution and selling expenses.
2. Mainly due to reclassification of value added tax expenses from other operating expenses to administrative expenses.

**Consolidated Statement of Financial Position as at 31 December 2018**

	Unaudited FY2018 (S\$'000)	Audited FY2018 (S\$'000)	Variance Increase/ (Decrease)		Note
			(S\$'000)	%	
<b>Non-current assets</b>					
Unquoted investment	10,723	9,042	(1,681)	(15.7)	3
<b>Current assets</b>					
Other receivables	808	694	(114)	(14.1)	4
Amount due from joint venture and associates (non-trade)	-	115	115	100.0	
<b>Current liabilities</b>					
Accruals and other liabilities	4,839	4,950	111	2.3	5
<b>Non-current liabilities</b>					
Deferred tax liabilities	318	2,069	1,751	550.6	6
<b>Equity attributable to owners of the Company</b>					
Fair value adjustment reserve	10,404	6,988	(3,416)	(32.8)	7

**Notes:**

3. Due to update of fair value on unquoted investment based on the finalized valuation report.
4. Mainly due to reclassification from other receivables to amount due from joint venture and associates (non-trade).
5. Mainly due to additional accruals for payroll-related expenses and professional fees.
6. Mainly due to provision for deferred tax liabilities on fair value gain on unquoted investment.
7. Mainly due to the reasons mentioned in Note 3 and Note 6.

**By Order of the Board**

Loh Mun Yew  
Chief Executive Officer and Executive Director  
2 April 2019

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*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.*

*The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*