



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

**UPDATE ON THE LETTERS OF DEMAND SERVED ON FE & B ENGINEERING (M) SDN BHD,
A WHOLLY-OWNED SUBSIDIARY OF FAR EAST GROUP LIMITED**

The Board of Directors ("**Board**") of Far East Group Limited ("**Company**", and "**Group**" refers to the Company and its subsidiaries) refers to its announcement dated 30 May 2013 regarding the letters of demand dated 9 April 2013 and 11 April 2013 ("**Letters of Demand**") served on the Company's wholly-owned subsidiary, FE & B Engineering (M) Sdn Bhd ("**FE&B**"), from the solicitors acting for E.I. Du Pont De Nemours and Company ("**DuPont**") in Malaysia.

The Board would like to announce that FE&B had on 20 September 2013 entered into a settlement agreement with DuPont ("**Settlement Agreement**") pursuant to which the parties had reached an amicable resolution to resolve all of the issues raised in the Letters of Demand. We are not able to disclose the terms of the settlement due to a confidentiality clause in the Settlement Agreement.

The settlement for this matter is not expected to have any material impact on the Group's financial performance for the financial year ending 31 December 2013.

None of the directors or substantial shareholders or controlling shareholders of the Company has any interest, direct or indirect, in the Settlement Agreement, other than through his or its shareholding interests in the Company.

BY ORDER OF THE BOARD

Steven Loh Mun Yew
Chief Executive Officer and Executive Director
4 November 2013

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Canaccord Genuity Singapore Pte. Ltd. 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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