

FRENCKEN GROUP LIMITED
(the "**Company**")
(Company Registration No: 199905084D)

**ENTRY INTO SALE AND PURCHASE AGREEMENT FOR
SALE OF PROPERTY AT 1 AND 2 CHANGI NORTH STREET 2 SINGAPORE**

The Board of Directors (the "**Board**") of the Company refers to its announcement dated 13 August 2010. Unless otherwise specified, all capitalised terms used herein but not otherwise defined shall have the same meanings ascribed to them in the Company's announcement dated 13 August 2010.

The Board wishes to announce that RBC Dexia Trust Services Singapore Limited (in its capacity as trustee of Cambridge Industrial Trust) (the "**Purchaser**"), has today exercised the conditional call option (the "**Call Option**") granted to it by ETLA Limited, a wholly-owned subsidiary of the Company (the "**Vendor**") pursuant to the put and call option agreement dated 12 August 2010, to purchase the properties at 1 and 2 Changi North Street 2 Singapore (the "**Properties**") from the Vendor.

Pursuant to the exercise of the Call Option by the Purchaser, the Purchaser and the Vendor have today entered into a sale and purchase agreement (the "**SPA**") for the sale by the Vendor and the purchase by the Purchaser of the Properties (the "**Proposed Disposal**"), and the Proposed Disposal has been completed today.

Pursuant to the completion of the Proposed Disposal, the Vendor and the Purchaser have also today entered into a lease agreement (the "**Lease Agreement**") for the lease of the Properties by the Purchaser, as lessor (the "**Lessor**"), to the Vendor, as lessee (the "**Lessee**"), for the lease term of seven (7) years commencing from the date of the Lease Agreement, with an option to renew the lease for a further term of seven (7) years, subject to the rental for the further term being revised to the prevailing market rental and on such other terms and conditions as may be mutually agreed between the Lessor and the Lessee.

By Order of the Board

Mr. Gooi Soon Hock
Executive Director
19 October 2010