

17 October 2017

ASX: FEI

FINANCING

FE Investments Group Limited (**FEI**) is pleased to advise that it has secured AUD\$1m of funds from Mr Cook Huang, a non-executive Director.

The funds will be used to increase the capital buffer over the statutory required capital ratio of the Company's wholly owned New Zealand subsidiary, FE Investments Limited (**FE Investments**). FE Investments is a Non-Bank Deposit Taker with a Deposit Taking licence issued by Reserve Bank of New Zealand.

The arrangement was consummated on the 13th of October 2017 on the following commercial terms:

- unsecured loan of AUD\$1m for a term of up to six months; and
- Interest will accrue on a daily basis at a rate of 10% p.a. over the term of the loan (such interest to be waived if there is an issue of Placement Shares to Mr Huang as described below) and at 15% on any portion of the loan amount not repaid at the end of the term.

Separately Mr Huang has agreed to acquire 5,000,000 fully paid ordinary FEI shares at 20 cents a share (**Placement Shares**) if the issue is approved by FEI's shareholders. FEI is required to seek shareholder approval at an EGM by the 13th of February 2018 and currently intends to hold the meeting by early December 2017. If the issue of the Placement Shares to Mr Cook Huang is approved by FEI Shareholders and completed within 30 days of the EGM, the subscription amount for the shares and loan amount will be offset against one another and interest on the loan waived.

In commenting on the transaction, TK Shim, Managing Director of the Company noted that "FE Investments has experienced sustained business growth over the three years from March 2015 to March 2017. These funds will be used to subscribe for ordinary shares in FE Investments to create a capital buffer and support further growth in total assets."

For further information please contact:

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About FE Investments Group

FE Investments Group is an Australasian Company with a core focus on the financing and management of rental contracts for technology solutions with operations in Australia and New Zealand.

Its subsidiary, FE Investments Limited (FEI) has been operating since July 2003. It is a non-bank deposit taker (NBDT) operating under the relevant regulations issued by the Reserve Bank of New Zealand. FEI lends money and provides financial support to enterprises in the business and property sectors.