VOLUNTARY UNCONDITIONAL GENERAL OFFER

by

PROVENANCE CAPITAL PTE. LTD.
(Company Registration Number: 200309056E)
(Incorporated in Republic of Singapore)

for and on behalf of

PRECIOUS JOY MANAGEMENT LIMITED
(Company Registration Number: 1409526)
(Incorporated in the British Virgin Islands)

to acquire all the issued and paid-up ordinary shares in the capital of

LI HENG CHEMICAL FIBRE TECHNOLOGIES LIMITED
(Company Registration Number: 40635)
(Incorporated in Bermuda)

other than those already owned or controlled by
the Offeror (as defined herein) and the parties acting in concert with it

DEALINGS DISCLOSURE ANNOUNCEMENT

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings ascribed to them in the Offer Document dated 11 January 2016 (as defined below).

1. INTRODUCTION

Provenance Capital Pte. Ltd. ("**Provenance Capital**") refers to the offer document dated 11 January 2016 ("**Offer Document**") issued by Provenance Capital for and on behalf of Precious Joy Management Limited ("**Offeror**") in connection with the voluntary unconditional cash offer ("**Offer**") to acquire all the issued and paid-up ordinary shares ("**Shares**") in the capital of Li Heng Chemical Fibre Technologies Limited ("**Company**"), other than those Shares already owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and the parties acting in concert with it.

2. DEALINGS DISCLOSURE

Pursuant to Rule 12.1 of the Code, Provenance Capital, for and on behalf of the Offeror, wishes to announce the following acquisition of Shares by Precious Joy Management Limited on 11 January 2016:

(i)	Total number of Shares acquired / agreed to be acquired	700,000 Shares
(ii)	% of Shares acquired / agreed to be acquired	0.206%
(iii)	Price per Share acquired (excluding brokerage commission, clearing fees and GST)	S$0.995
(iv)	Resultant total number of Shares owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and persons acting in concert with it	276,101,320 Shares
(v)	% of Shares owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and persons acting in concert with it	81.206%

3. LEVEL OF ACCEPTANCES

Pursuant to Rule 28.1 of the Code, Provenance Capital wishes to announce, for and on behalf of the Offeror, that:

(a) **Acceptances of the Offer.** As at 5.00 p.m. (Singapore time) on 11 January 2016, the Offeror has received valid acceptances amounting to 1,995,672 Shares, representing approximately 0.587% of the total number of issued Shares of the Company.

(b) **Shares held on or before the Offer Announcement Date**. As at the Offer Announcement Date, the Offeror and parties acting in concert with it collectively owned or controlled an aggregate of 275,401,320 Shares, representing approximately 81.000% of the total number of issued Shares of the Company.

(c) **Shares acquired or agreed to be acquired after the Offer Announcement Date and up to 5.00 p.m. (Singapore time) on 11 January 2016 (other than pursuant to valid acceptances of the Offer).** Following the Offer Announcement Date and up to 5.00 p.m. (Singapore time) on 11 January 2016, save for the acquisition by the Offeror of an aggregate of 700,000 Shares, representing approximately 0.206% of the total number of issued Shares of the Company, the Offeror and parties acting in concert with it have not acquired or agreed to acquire any Shares (other than pursuant to valid acceptances of the Offer).

4. RESULTANT SHAREHOLDINGS

Accordingly, as at 5.00 p.m. (Singapore time) on 11 January 2016, the total number of (A) Shares owned, controlled or agreed to be acquired by the Offeror and parties acting in concert with it; and (B) valid acceptances to the Offer, amount to an aggregate of 278,096,992 Shares, representing approximately 81.793% of the total number of issued Shares of the Company.

5. RESPONSIBILITY STATEMENT

The sole director of the Offeror has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and the director of the Offeror accepts responsibility accordingly.

Where any information has been extracted from published or otherwise publicly available sources or obtained from the Company, the responsibility of the director of the Offeror has been to ensure through reasonable enquiries, that such information has been accurately and correctly extracted from those sources or, as the case may be, accurately reflected or reproduced in this Announcement in its proper form and context.

Yours faithfully,
PROVENANCE CAPITAL PTE. LTD.

For and on behalf of
PRECIOUS JOY MANAGEMENT LIMITED

12 January 2016

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "potential" "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Company and/or the Offeror should not place undue reliance on such forward looking statements, and none of the Company, the Offeror, nor Provenance Capital undertakes any obligation to update or revise any forward-looking statements publicly.

Any enquiries relating to the Offer and this Announcement should be directed, during normal business hours for the period for which the Offer remains open for acceptances, to Mr Lay Shi Wei at (65) 6227 1580 or at projectliheng@provenancecapital.com.