

CHEMICAL INDUSTRIES (FAR EAST) LIMITED

(Incorporated in the Republic of Singapore)

Registration No. 196200046K

GENERAL ANNOUNCEMENT

BUSINESS UPDATE

Further to the announcement made on 11 November 2014, the Board of Directors of Chemical Industries (Far East) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that it has entered into a settlement agreement with the major customer ceasing its business activities in Singapore at end 2015.

The Settlement Agreement will mitigate the negative impact on the Group’s financial position for the financial year ending 31 March 2016 previously announced. Overall, the settlement agreement will have a material positive impact on the Group’s consolidated net tangible assets per share and earnings per share for the current financial year.

BY ORDER OF THE BOARD

FOO SOON SOO
Company Secretary

Singapore
30 November 2015