

FABCHEM CHINA LIMITED
(Company Registration No. 200413128G)
(Incorporated in the Republic of Singapore)

NOTIFICATION OF INCLUSION ON THE WATCH-LIST DUE TO THE FINANCIAL ENTRY CRITERIA WITH EFFECT FROM 5 DECEMBER 2018

The Board of Directors (the “**Board**”) of Fabchem China Limited (the “**Company**”) wishes to announce that the Singapore Exchange Securities Trading Limited (the “**Exchange**”) has notified the Company that it would be placed on the watch-list due to the financial entry criteria with effect from 5 December 2018 as the Company has recorded :

- (i) pre-tax losses for the three most recently completed consecutive financial years (based on audited full year consolidated accounts) and
- (ii) an average daily market capitalization of less than S\$40 million over the last 6 months.

The Company must take active steps to meet the requirement of Listing Rule 1314(1) within 36 months from 5 December 2018, failing which the Exchange would delist the Company or suspend trading in the Company’s shares with a view to delisting the Company. Listing Rule 1314(1) states that an issuer may be apply for a removal from the watch-list if it records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited financial statements) and has an average daily market capitalization of S\$40 million or more over the last 6 months.

The Company would like to assure all its shareholders that it will continue to make efforts and consider various options to meet the requirements of Listing Rule 1314(1) and will update shareholders in due course.

By Order of the Board

Wee Phui Gam
Acting Chairman and Lead Independent Director

4 December 2018