

CHINA BEARING (SINGAPORE) LTD.
(Company Registration No. 200512048E)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF FE RESOURCES PTE. LTD. – APPROVAL OF THE APPLICATION TO SGX-ST FOR A FURTHER EXTENSION OF TIME FOR CASH COMPANY TO MEET REQUIREMENTS OF NEW LISTING

1. INTRODUCTION

The board of directors ("**Board**") of China Bearing (Singapore) Ltd. (the "**Company**") refers to the announcements made by the Company on 24 August 2016, 1 November 2016, 2 December 2016, 11 January 2017, 4 April 2017, 20 June 2017, 7 July 2017, 17 November 2017, 21 November 2017, 20 December 2017 and 29 December 2017 ("**Announcements**") in relation to the proposed acquisition of the entire issued and paid-up share capital of FE Resources Pte. Ltd. ("**Proposed Acquisition**").

Unless otherwise defined herein, capitalised terms used herein shall bear the same meaning ascribed to them in the Announcements.

2. EXTENSION OF TIME FOR THE COMPANY

2.1. As announced by the Company on 20 December 2017, the financial adviser to the Proposed Acquisition, ZICO Capital Pte. Ltd., had on behalf of the Company submitted an application to the SGX-ST seeking the SGX-ST's approval for a further extension of six (6) months until 20 June 2018 ("**Further Extended Date**") to meet the requirements for a new listing under Rule 1018(2) of the SGX-ST Listing Manual ("**Further Extension Application**").

2.2. The main reasons for the Further Extension Application were:

- (a) the Company submitted a pre-clearance letter to the SGX-ST on 5 September 2017 and, on 16 November 2017, received confirmation from the SGX-ST that it has no further comments to the matters highlighted in the aforementioned pre-clearance, subject to appropriate disclosures to be included in the Circular and the Company making the necessary announcement on a waiver granted. Please refer to the announcement made by the Company dated 21 November 2017 for further details;
- (b) the Company had on 28 December 2017 entered into a supplemental agreement to the SPA with the Vendor, Target Company and PT ATS to extend the long stop date for the fulfilment and waiver of the conditions precedent relating to the Proposed Acquisition to 31 December 2018, or such later date as the Company and the Vendor may agree in writing. Please refer to the announcement made by the Company dated 29 December 2017 for further details;

- (c) the Company had, on 17 November 2017 entered into a loan agreement with Axis Megalink Sdn. Bhd. ("**Lender**") for a loan of S\$1.0 million (which is convertible at the Lender's option and subject to a defined conversion event) to supplement the Company's free cash balance which is not escrowed, to fund the professional fees payable by the Company, up to the extraordinary general meeting to be convened for shareholders of the Company to approve the Proposed Acquisition. Please refer to the announcement made by the Company dated 17 November 2017 for further details;
 - (d) the Appointed Professionals are working towards concluding the necessary due diligence works in connection with the RTO. Subject to sufficient time for the Appointed Professionals to conclude the necessary due diligence and finalise other relevant documents (including the Target Group's audited financial statements for the nine months financial period ended 30 September 2017) required for a pre-admission notification to the SGX-ST, and pursuant to the Proposed Catalyst Transfer, the Board is of the reasonable opinion that the Target Group is able to satisfy the Exchange's requirements for a new listing on the Catalyst; and
 - (e) the Board is of the view that the additional time afforded by the Further Extended Date would be necessary for the (i) satisfactory conclusion of the necessary due diligence conducted by the Appointed Professionals; and (ii) the finalisation of the Circular and all accompanying documents for the purposes of the pre-admission notification to the SGX-ST.
- 2.3. The Board wishes to announce that SGX-ST has on 8 January 2018 agreed to grant the Company an extension of time to the Further Extended Date under Rule 1018(2) of the SGX-ST Listing Manual for the Company to meet the requirements for a new listing, subject to the Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions, as required under Rule 107 of the SGX-ST Listing Manual. The Board wishes to highlight that SGX-ST has reserved its right to amend/vary its decision and such decision is subject to changes in the policies of the SGX-ST.

3. CAUTIONARY STATEMENT

Shareholders of the Company are advised that the Proposed Acquisition is subject to numerous conditions and due diligence by the Vendor and the Company. As such, there is no assurance that the Parties will be able to complete the Proposed Acquisition and that the shares of the Company will eventually resume trading on the SGX-ST. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are therefore advised to exercise caution when dealing in the shares of the Company and should consult their legal, financial, tax and other professional advisers if they have any doubt as to the action to take.

BY ORDER OF THE BOARD

LIM KEAN TIN

Non-Executive Chairman

9 January 2018