

## FULL APEX (HOLDINGS) LIMITED

(Incorporated in Bermuda)

(Company Registration No.: 31906)

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### CLARIFICATION TO THE QUERIES FROM SGX-ST

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*The Company refers to the announcements made on 4 December 2017 in relation to the Business Update and the responses to SGX-ST queries announced on 5 December 2017 (the "Previous Announcements"). Unless otherwise defined, terms defined in the Previous Announcements have the same meanings when used herein.*

The Board of Directors (the "**Board**") of Full Apex (Holdings) Limited (the "**Company**", and together with its subsidiaries, "the **Group**") would like to provide further information to clarify the Previous Announcements based on queries received from SGX-ST today:

#### --- EXTRACT ---

1. We refer to the Company's announcement of 5 December 2017 titled, "Responses to queries from SGX-ST", available via the following web-link:- [http://infopub.sgx.com/Apps?A=COW\\_CorpAnnouncement\\_Content&B=AnnouncementLast12Months&F=T49DB6GOA57WRF6H&H=1afb1404feccc86f44767867b3b2cdd655b85be7164fae902af2186126621c92](http://infopub.sgx.com/Apps?A=COW_CorpAnnouncement_Content&B=AnnouncementLast12Months&F=T49DB6GOA57WRF6H&H=1afb1404feccc86f44767867b3b2cdd655b85be7164fae902af2186126621c92) (the "**Announcement**").
2. Please disclose the following information in a clarification announcement **via SGXNet by the end of today (i.e. 6 December 2017):-**
  - a. We note the Company's response that, "*The Company and its wholly-owned subsidiaries, Patum Manufacturing Limited and Full Apex International Limited, are joint guarantors of Jetzen's debts under the Facility Agreement.*"
    - (i) Please clarify what are the implications on the Groups operations and/or financial performance in the event of the liquidation of Jetzen?
    - (ii) Please clarify whether Jetzen is a significant and/or principal operating subsidiary of the Group?

- b. We note the Company's response that it is "*...in the process of seeking legal advice in relation to the Originating Application. Negotiations with Lenders for a potential debt restructuring of Jetzen are continuing Management is also actively exploring with other financial institutions on the possibility of refinancing.*"
- (i) Please address our query as set out previously, for the Board of Directors' opinion as to (1) whether the Group can continue as a going concern; and (2) the bases for its opinion.
- c. We note the Board's opinion that a trading suspension is not required at this stage pursuant to Listing Rule 1303(3).
- (i) Please provide the basis for the Board's opinion in this regard.

--- END OF EXTRACT ---

**SGX-ST's Queries dated 6 December 2017**

- a. **We note the Company's response that, "*The Company and its wholly-owned subsidiaries, Patum Manufacturing Limited and Full Apex International Limited, are joint guarantors of Jetzen's debts under the Facility Agreement.*"**
- (i) **Please clarify what are the implications on the Groups operations and/or financial performance in the event of the liquidation of Jetzen?**

Company's response

At current stage, the Board of Directors (the "Board") cannot ascertain the implications on the Group's operation and/or financial performance in the event of the liquidation of Jetzen since the first court hearing is on 15 January 2018, which has yet started.

- (ii) **Please clarify whether Jetzen is a significant and/or principal operating subsidiary of the Group?**

Company's response

Jetzen is not a significant or principal subsidiary of the Group according to SGX listing rules.

- b. **We note the Company's response that it is "*...in the process of seeking legal advice in relation to the Originating Application. Negotiations with Lenders for a potential debt restructuring of Jetzen are continuing Management is also actively exploring with other financial institutions on the possibility of refinancing.*"**
- (i) **Please address our query as set out previously, for the Board of Directors' opinion as to (1) whether the Group can continue as a going concern; and (2) the bases for its opinion.**

Company's response

The first court hearing of the Originating Application will be on 15 January 2018. Notwithstanding the Originating Application, the operations of the Company and all of its subsidiaries have been carrying on its operations as per normal and are not affected by the Originating Application.

The Company is in the process of seeking legal advice in relation to the Originating Application and the management believes that there is a possibility to reach a debt restructuring with the Applicant before the court hearing. Negotiations with the Applicant for a potential debt restructuring of Jetzen under the Facility Agreement are continuing. Management is also actively exploring with other financial institutions on the possibility of refinancing.

The going concern of the Company is subject to the results of the Originating Application, debt restructuring and refinancing. Accordingly, the Board's opinion is that the Group can continue as a going concern at this stage. The Company will keep its Shareholders and potential investors informed of any further significant developments when appropriate.

- c. **We note the Board's opinion that a trading suspension is not required at this stage pursuant to Listing Rule 1303(3).**
- (ii) **Please provide the basis for the Board's opinion in this regard.**

Company's response

The Board's opinion is that the Group (including Jetzen Group) is still operating normally and can continue as a going concern at current stage. No trading suspension is required as it is premature to suspend trade at this point in time. The Board will notify the shareholders and potential investors and applies suspension of trading once the court rules any judgment against to the Group.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. Shareholders and investors are also advised to read this announcement and any further announcements made by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately. In the event that the Company is unable to continue as a going concern or its state of affairs is unclear, or the court rules any judgement against the Company, Shareholders and potential investors of the Company should take note that trading in the Company's securities may be suspended either by the Company or SGX-ST.**

By Order of the Board

Guan Lingxiang  
Executive Chairman  
6 December 2017