LI HENG CHEMICAL FIBRE TECHNOLOGIES LIMITED
(Incorporated in Bermuda)

VOLUNTARY UNCONDITIONAL GENERAL OFFER FOR
LI HENG CHEMICAL FIBRE TECHNOLOGIES LIMITED

The Board of Directors (the "**Board**") of the Company refers to the announcement made on 22 December 2015 by Provenance Capital Pte. Ltd., for and on behalf of Precious Joy Management Limited (the "**Offeror**"), in relation to the voluntary unconditional general offer (the "**Offer**") by the Offeror to acquire all the issued and paid-up ordinary shares (the "**Shares**") in the capital of the Company (other than those already owned by the Offeror and the parties acting in concert with it) (the "**Offer Announcement**").

A copy of the Offer Announcement is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com. Shareholders are advised to review the Offer Announcement in its entirety and carefully, in particular, for details of the Offer, information on the Offeror, the rationale for the Offer and the Offeror's intentions for the Company in respect of the listing status of the Company and compulsory acquisition rights in respect of the Shares.

The Board will be appointing an independent financial adviser (the "**IFA**") to advise the Directors of the Company who are considered independent for the purposes of the Offer (the "**Independent Directors**"). A circular containing, inter alia, the advice of the IFA and the recommendation of the Independent Directors in relation to the Offer (the "**Circular**") will be sent to Shareholders in due course.

In the meantime, Shareholders are advised to exercise caution when dealing in their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations of the Independent Directors as well as the advice of the IFA set out in the Circular to be issued in due course.

The Directors of the Company (including those who have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and the opinions expressed in this Announcement (other than those relating to the Offeror) are fair and accurate, and that there are no material facts not contained in this Announcement, the omission of which would make any statement in this Announcement misleading. Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, the sole responsibility of the Directors of the Company has been to ensure that through reasonable enquiries such information has been accurately extracted from such sources, or as the case may be, reflected or reproduced in this Announcement. The Directors of the Company jointly and severally accept full responsibility accordingly.

By Order of the Board
Li Heng Chemical Fibre Technologies Limited

Tan Siok Sing
Lead Independent Director
23 December 2015