

CHEMICAL INDUSTRIES (FAR EAST) LIMITED

(Incorporated in the Republic of Singapore)

Registration No. 196200046K

RESPONSE TO SGX QUERIES ON CHEMICAL INDUSTRIES (FAR EAST) LIMITED ANNUAL REPORT 2016

The Board of Directors of Chemical Industries (Far East) Limited (the 'Company') in response to the query raised by Singapore Exchange Securities Trading Limited on 28 June 2016 with regards to its Annual Report 2016 and wish to provide the following additional information.

SGX Query

Pursuant to Rule 1207(6)(b), please confirm that the Company's audit committee has undertaken a review of all non-audit services provided by the auditors and they would not, in the audit committee's opinion, affect the independence of the auditors.

Company's Response

The AC has reviewed the amount of non-audit services rendered to the Group by the external auditors, Deloitte & Touche LLP ("D&T"). During the year, the fees paid to the external auditors of the Company for non-audit services amounted to \$14,000 or 24% of the audit fee. Being satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors, the AC has recommended D&T for re-appointment as external auditors of the Company at the forthcoming AGM of the Company.

BY ORDER OF THE BOARD

FOO SOON SOO
Company Secretary

Singapore, 28 June 2016