

FULL APEX (HOLDINGS) LIMITED
(Incorporated in Bermuda)
(Company Registration Number 31906)

Background Information

On 10 November 2016, Pan-Asia PET Resin (Guangzhou) Co., Ltd. (the “Pan Asia”), a wholly-owned subsidiary of Full Apex (Holdings) Limited (the “Company”) and the leading investor and manufacturer of Polyethylene Terephthalate (“PET”) resin in the People's Republic of China (the “PRC”), has entered into a Memorandum of Understanding (the “NICDP MOU”) with National Industrial Clusters Development Program of the Kingdom of Saudi Arabia (the “Kingdom”), to explore the possibility of conducting a feasibility study for establishing manufacturing facilities for Purified Terephthalic Acid (“PTA”), PET and other polyester products at Jazan Economic City (“JEC”) in the Kingdom (the “Project”). By entering into the NICDP MOU, both parties agree to work together in exploring viability of the investment opportunity in the Project. For more details, please refer to a separate announcement released by the Company on 14 November 2016. The feasibility studies on the Project are in progress.

Royal Commission for Jubail and Yanbu of the Kingdom (“RCJY”) is an autonomous organization of the Kingdom. Its mission is to plan, promote, develop and manage Petrochemicals and Energy intensive industrial cities through successful customer focus and partnerships with investors, employees, communities and other stakeholders. These industrial cities are Jubail, Yanbu, Ras Al Khair Industrial City and JEC.

Memorandum of Understanding (“MOU”)

The Board of Directors of the Company and its subsidiaries (collectively referred to as the “Group”) is pleased to announce that Pan Asia has entered into a MOU with RCJY on 16 March 2017. The MOU was one of a few that was signed during the state visit of King Salman bin Abdulaziz Al-Saud to the PRC from 15 March 2017 to 18 March 2017.

As the pre-feasibility studies of the Project has been completed, by entering into the MOU, a plot of land in JEC has been tentatively and conditionally allocated to Pan Asia for the purpose of building and operating above said factories. RCJY is responsible for infrastructure development and utility needed to operate the factories based on a side written agreement between both sides and specific milestone schedule.

Pan Asia is responsible for submitting Site Plan, Environmental Permit Program,

award of Engineering and Construction Contracts, Project Milestone Schedule to RCJY. Pan Asia is also responsible to obtain other related approvals for the Project from the Kingdom government.

This MOU is a non-binding expression of both parties and is not expected to have any material impact on the Group's consolidated earnings per share and net tangible assets per share for the financial year ending 31 December 2017.

The Company will make further announcements relating to the above transaction when appropriate.

Saved as disclosed above, none of the Directors or substantial shareholders of the Company has any direct or indirect interest in the above-mentioned transaction.

By Order of the Board

Guan Lingxiang

Executive Chairman

Date: 20 March 2017