

FABCHEM CHINA LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200413128G)

THE PROPOSED CONSOLIDATION OF EVERY FIVE (5) EXISTING ISSUED ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY SHAREHOLDERS OF THE COMPANY AT A BOOKS CLOSURE DATE TO BE DETERMINED, INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the meanings ascribed to them in the Company's announcements made on 10 June 2015 and 18 June 2015 in relation to the Proposed Share Consolidation.

1. NOTICE OF BOOKS CLOSURE DATE FOR THE SHARE CONSOLIDATION

NOTICE IS HEREBY GIVEN that, the Register of Members and the Share Transfer Books of the Company will be closed at 5.00pm on 31 August 2015 ("**Books Closure Date**") for the purposes of determining the entitlements of Shareholders under the Share Consolidation. On the Books Closure Date, every five (5) existing Shares registered in the name, or standing to the credit of the Securities Account (as the case may be), of each Shareholder will be consolidated to constitute one (1) Consolidated Share, fractional entitlements to be disregarded.

Shareholders should note that the number of Consolidated Shares which Shareholders will be entitled to, based on their holdings of the number of Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Share Consolidation will be disregarded. All fractional entitlements arising upon the implementation of the Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

Each Consolidated Share will rank *pari passu* in all respects with each other, and will be traded in board lots of 100 Consolidated Shares.

2. EFFECTIVE TRADING DATE FOR CONSOLIDATED SHARES

The Shares will begin trading in board lots of 100 Consolidated Shares at 9.00am on 27 August 2015 ("**Effective Trading Date**"). The Effective Trading Date is three (3) Market Days before the Share Consolidation Effective Date (as defined below) on account of the fact that trades on the SGX-ST are settled on a "T+3" settlement cycle, that is, a purchase or sale of Shares on day T will be settled at T plus three Market Days later. Accordingly, every five (5) existing Shares as at 5.00pm on 26 August 2015 (the Market Day immediately preceding the Effective Trading Date) will represent one (1) Consolidated Share with effect from 9.00am on the Effective Trading Date.

Trading in the existing Shares will cease after 5.00pm on 26 August 2015 (the Market Day immediately preceding the Effective Trading Date). For illustrative purposes, if a Shareholder holds 500 existing Shares on 26 August 2015, with effect from 27 August 2015, he may only sell a maximum of 100 Consolidated Shares. If he attempts to sell 500 Shares on 27 August 2015, he would be short-selling as he will not be able to deliver the additional 400 shares on the date of settlement of such trade, being the Share Consolidation Effective Date.

The Share Consolidation shall be effective from 9.00am on 1 September 2015 (the Market Day immediately following the Books Closure Date) ("**Share Consolidation Effective Date**"), whereupon the Register of Members of the Company and the Depository Register will be updated to reflect the number of Consolidated Shares held by each Shareholder based on the number of Shares held by them as at the Books Closure Date.

3. **TRADING ARRANGEMENTS FOR ODD LOTS OF CONSOLIDATED SHARES**

The Shares are currently traded in board lots of 100 Shares. Following the Share Consolidation, the Securities Accounts maintained with CDP of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of 100 Shares). The market for trading of such odd lots of Consolidated Shares may be illiquid.

Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots on the SGX-ST should note that odd lots of Consolidated Shares can be traded on the unit share market which, following the Proposed Share Consolidation, would allow trading in odd lots with a minimum size of 1 Consolidated Share.

4. **SHARE CERTIFICATES**

(a) **Deposit of Share Certificates with CDP**

Shareholders who hold physical share certificates for the Existing Shares in their own names ("**Old Share Certificates**") and who wish to deposit the same with CDP and have their Consolidated Shares credited to their Securities Accounts maintained with CDP must deposit their Old Share Certificates, together with duly executed instruments of transfer in favour of CDP, no later than twelve (12) Market Days prior to the Books Closure Date.

After the Books Closure Date, CDP will only accept the deposit of share certificates for Consolidated Shares ("**New Share Certificates**"). Shareholders who wish to deposit their share certificates with CDP after the Books Closure Date must first deliver their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, for cancellation and issuance of New Share Certificates in replacement thereof as described below.

(b) Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Books Closure Date need not take any action. The Company will make arrangements with CDP to effect the exchange for New Share Certificates pursuant to the Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01, Singapore Land Tower, Singapore 048623, as soon as possible before the Books Closure Date for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Members of the Company.

5. EXPECTED TIMETABLE OF KEY EVENTS

The table below sets out the indicative timetable for the Proposed Share Consolidation:

Time and Date	Event
21 August 2015 (Friday)	Issue of Notice of Books Closure Date for the Proposed Share Consolidation
26 August 2015 (Wednesday)	Cessation of trading of Existing Shares on the Mainboard of the SGX-ST
27 August 2015 (Thursday)	Effective Trading Date (commencement of trading of the Consolidated Shares on the Mainboard of the SGX-ST)
31 August 2015 (Monday)	Books Closure Date for the Proposed Share Consolidation
1 September 2015 (Tuesday)	Proposed Share Consolidation Effective Date

The above timeline is indicative and subject to change. Any change to the indicative timeline will be announced by the Company via SGXNET.

6. CONTACT INFORMATION

The address of the Share Registrar is as follows:

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

The address of the CDP is as follows:

The Central Depository (Pte) Limited
9 North Buona Vista Drive
#01-19/20 The Metropolis
Singapore 138588

By Order of the Board
Fabchem China Limited

Lim Seck Yeow
Non-executive Chairman
21 August 2015