

FULL APEX (HOLDINGS) LIMITED

(Incorporated in Bermuda)

(Company Registration No.: 31906)

RESPONSES TO QUERIES FROM SGX-ST

The Board of Directors (the "**Board**") of Full Apex (Holdings) Limited (the "**Company**", and together with its subsidiaries, "the **Group**") would like to provide the following information in response to queries from the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in respect of the information provided in the Business Update announced on 5 December 2017:

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FULL APEX (HOLDINGS) LIMITED (THE "COMPANY")

- COMPANY'S ANNOUNCEMENT OF 4 DECEMBER 2017

1. We refer to the Company's announcement of 4 December 2017, titled, "*Business Update*", available via the following web-link:- http://infopub.sgx.com/Apps?A=COW_CorpAnnouncement_Content&B=AnnouncementLast12Months&F=TSRMQM6X538RIMI&H=87954012310b1a2891a18fbdf650df36cbca9b6d87f037855481035668b338e8 (the "**Announcement**").
2. We note that the Company stated in the Announcement that Jetzen Investment Limited ("**Jetzen**"), a wholly owned subsidiary of the Company, has been served an Originating Application (Matter No. BVIHC (Com) 2017/0196) by The Eastern Caribbean Supreme Court in the High Court of Justice (the "**Originating Application**"), wherein the applicant is seeking, *inter alia*, an order for Jetzen to be liquidated due to its inability to settle the outstanding principal and accrued interests under a Facility Agreement dated 20 June 2013 in respect of a loan of US\$46,000,000 (the "**Facility Agreement**").
3. We will like to draw the Company's attention to Listing Rule 1303(3) which states that, "*The Exchange may at any time suspend trading of the listed securities of an issuer in any of the following circumstances:-...(3) where the issuer is unable to continue as a going concern or unable to demonstrate to the Exchange and its shareholders that it is able to do so, including the following circumstance: (b) when an application is filed with a court for the liquidation of the issuer (or significant subsidiary) and the amount of the debt alleged is significant*".

4. In this regard, please disclose the following information in a clarification announcement **via SGXNet by the end of today (i.e. 5 December 2017):-**
- a) Whether the Company is a party of and/or guarantor of Jetzen's debts under the Facility Agreement;
 - b) The Board of Directors' opinion as to the impact of the Originating Application on the Company;
 - c) The Board of Directors' opinion as to (i) whether the Company and its subsidiaries (collectively, the "**Group**") can continue as a going concern; and (ii) the bases for its opinion;
 - d) The Board of Directors' opinion as to whether a trading suspension is required pursuant to Listing Rule 1303(3); and
 - e) The Board of Directors' confirmation that sufficient information has been disclosed by the Company to enable trading to continue on an informed basis.
5. In the said clarification announcement, please also provide a cautionary statement to alert investors that the trading in the Company's securities may be suspended in the event that the Company is unable to continue as a going concern or its state of affairs is unclear.

--- END OF EXTRACT ---

SGX-ST's Queries dated 5 December 2017

- a) **Whether the Company is a party of and/or guarantor of Jetzen's debts under the Facility Agreement;**

Company's response

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.

b) The Board of Directors' opinion as to the impact of the Originating Application on the Company;

Company's response

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 Board is of the opinion that the impact of the Originating Application on the Company is minimal at this stage.

c) The Board of Directors' opinion as to (i) whether the Company and its subsidiaries (collectively, the "Group") can continue as a going concern; and (ii) the bases for its opinion;

Company's response

The Company 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.

Accordingly, the Company will keep its Shareholders and potential investors informed of any further significant developments when appropriate.

d) The Board of Directors' opinion as to whether a trading suspension is required pursuant to Listing Rule 1303(3); and

Company's response

The Board is of the opinion is that a trading suspension is not required at this stage.

- e) **The Board of Directors' confirmation that sufficient information has been disclosed by the Company to enable trading to continue on an informed basis.**

Company's response

The Board confirms that sufficient information has been disclosed by the Company to enable trading to continue on an informed basis.

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, 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
5 December 2017