



FORELAND FABRICTECH HOLDINGS LIMITED

(Incorporated in Bermuda with Company Registration No. 39151)

RESPONSE TO SGX QUERY

The Board of Directors of Foreland Fabrictech Holdings Limited (“the Company”, together with its subsidiaries, “the Group”) wishes to announce its response to the query raised by the Singapore Exchange Securities Trading Limited (“SGX”) in connection with the unaudited second quarter financial results for the financial period ended 30 June 2014 which was released by the Company on 14 August 2014.

Query 1

On 17 March 2014, the Company announced “the building of a standalone warehouse and power control room commenced in 2011. The total amount under the contract was RMB 2.0 million.” In its 2Q2014 Announcement, the Company disclosed “Deposit for buildings construction of RMB12.5 million”. Please reconcile and elaborate on the projects relating to deposits for buildings construction amounting to RMB12.5 million.

Company’s response to Query 1

The contract of RMB 2.0 million mentioned in the announcement dated 17 March 2014 was for the construction of a standalone warehouse and power control room. Such construction was completed in the first half of 2014.

In respect of the deposits for buildings construction of RMB 12.5 million which was mentioned in the 2Q 2014 announcement, such deposits were mainly for the construction of wastewater treatment area of RMB 5.5 million, wastewater treatment facility and system of RMB 6.4 million and other construction of RMB 0.5 million. Such construction will improve the capability and performance of the wastewater treatment processes.

By Order of the Board

Tsoi Kin Chit
Executive Chairman
3 September 2014