



FORELAND FABRICTECH HOLDINGS LIMITED
(Incorporated in Bermuda with Company Registration No. 39151)

GRANT OF EXTENSION OF TIME

The Board of Directors of Foreland Fabrictech Holdings Limited (together with its subsidiaries, the “Group”) wishes to inform its shareholders that the Company has applied to the Singapore Exchange Trading Securities Limited (“SGX”) for an extension of time till 31 October 2015 to comply with the Rule 707 of the Listing Manual for the holding of Annual General Meeting for the financial year ended 31 December 2014 (“AGM FY2014”) on 23 March 2015.

SGX has today confirmed that it has no objection to the Company’s application, subject to the following:

- (a) Submission of an undertaking from the Company to comply with the Exchange’s listing requirements;
- (b) The Company announcing the period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107;
- (c) Submission of a written confirmation from the Company that the extension of time does not contravene any laws and regulations governing the Company and the articles of association of the Company;
- (d) Submission of an undertaking from the Board to (i) commence the BDO LLP’s independent review; (ii) provide regular updates to the market on the progress of the independent review; and (iii) endeavor to complete the independent review by 31 July 2015; and
- (e) Announcement of the proposed new external auditors to be appointed.

The period of extension granted, the reasons for seeking the extension of time and the conditions as required under Listing Rule 107 are as follows:

1. Vacancy of External Auditors

- 1.1 On 29 August 2014, the Company’s auditors, Messrs Baker Tilly TFW LLP, retired during the AGM of the Company. The Company has then initiated the process of engaging a new professional accounting firm in Singapore to be the new external auditors of the Company.
- 1.2 However, the engagement process has been interrupted pursuant to the reconstitution of the Board, i.e. the appointment of Mr Seah Chee Wei as the

Independent Director and Audit Committee Chairman of the Company on 24 November 2014 following the resignation of Mr Leow Yong Kin and the appointment of Mr Wu Geng as the Independent Director on 29 September 2014 following the resignation of Mr Tan Sze Leng.

- 1.3 With the completion of reconstitution of the Board, the Company has continued the engagement process of the appointment of new external auditors and relevant announcement will be made upon the engagement of the new external auditors.

2. Independent Review on the Audit Issues

- 2.1 On 5 August 2014, the former auditor of the Company issued a disclaimer of opinion in respect of the financial statements of the Group for the financial year ended 31 December 2013. The issues highlighted by the former auditor were as follows:
 - (a) Compensation Claim;
 - (b) Cash and cash equivalents of the subsidiary Fulian;
 - (c) Going Concern;
 - (d) Investment in subsidiary and amount due from subsidiary.
- 2.2 In addition to the foregoing and to address the audit issues highlighted by the former auditor, the Company has decided to engage Messrs BDO LLP ("BDO") to conduct an independent review on these issues. The appointment of BDO was disclosed in the announcement dated 22 January 2015.
- 2.3 The Company expects that the work by BDO takes several months to complete.

3. Time Required for Audit for FY 2014

- 3.1 Upon selection of a suitable proposed external auditor, the Company would need to prepare a circular and convene an extraordinary general meeting for the shareholders to approve the appointment of the proposed external auditor. After the confirmation of the new external auditor, the new external auditor will also require several months to perform the audit engagement. The length of times for audit varies, depending on the complexity of the business.
- 3.2 In light of the abovementioned reasons, the Company believes that it will definitely not be able to comply with Rule 707 for the holding of Annual General Meeting for the financial year ended 31 December 2014 on or before 30 April 2015.

The conditions (a), (c), (d) and (e) have been duly noted and will be complied with by the Company accordingly. The Company will provide updates as to any further development in the aforesaid matters in due course.

By Order of the Board

Tsoi Kin Chit
Executive Chairman
31 March 2015