

SUSPENSION OF DUE DILIGENCE AND PREPARATION FOR PROPOSED ACQUISITION

The board of directors ("**Board**" or "**Directors**") of Fabchem China Limited ("**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcements of 22 April 2021 relating to the Proposed Acquisition and 19 March 2021 relating to the Proposed Disposal and Proposed Capital Reduction (collectively "**Announcements**"), and the Notice of Compliance issued by Singapore Exchange Regulation ("**SGX RegCo**") on 3 June 2021 ("**Notice**"). Unless otherwise expressly specified, all capitalised terms used in this announcement shall bear the same meaning as defined in the Announcements and Notice respectively.

The Company wishes to inform Shareholders and investors that as a result of the Notice and SGX RegCo's requirement for the Company to appoint another valuer to report on the valuation for the Proposed Disposal, the Company and the Vendors have mutually agreed to temporarily suspend all due diligence and preparatory activities for the Proposed Acquisition until the Company has complied with the Notice.

As announced on 4 June 2021, the Company is taking steps to comply with the Notice. The Company will make further and appropriate announcements at the relevant time.

The Directors would like to advise Shareholders that (a) the Proposed Capital Reduction is conditional upon the Proposed Disposal being completed in accordance with the terms and conditions of the Agreement for the Proposed Disposal between the Company and Triple Vision, and (b) the Proposed Acquisition is subject to the Conditions Precedent in the Agreement for the Proposed Acquisition between the Company and the Vendors, including, *inter alia*, the Proposed Disposal and Proposed Capital Reduction having been completed.

Shareholders and investors are advised to exercise caution when dealing in their Shares and to read this announcement and any further announcements by the Company carefully, as there is no certainty or assurance, as at the date of this announcement, as to whether the terms and conditions of the Proposed Disposal, Proposed Capital Reduction and Proposed Acquisition may be varied by agreement of the Parties in writing from those set out in the respective Agreements, or whether they may proceed to completion at all. Shareholders and investors should consult their stockbrokers, solicitors or other professional advisers if they have any doubts about the action they should take.

By Order of the Board
Fabchem China Limited

Wee Phui Gam
Acting Chairman and Lead Independent Director
9 June 2021