



FORELAND FABRICTECH HOLDINGS LIMITED
(Incorporated in Bermuda with company registration no. 39151)

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The Company has received the following queries from SGX-ST on 24 October 2018 in relation to the Company's announcement dated 8 October 2018 (the "**Announcement**") regarding the appointment of Mr Huang Min as Executive Director.

Background & Queries

In the Announcement, it was disclosed that Mr Huang Min was, not to his knowledge, ever investigated for a breach of any law or regulatory requirement governing corporations in Singapore (or elsewhere). It was also disclosed that Mr Huang Min was not the subject of any current or past investigation or disciplinary proceedings or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency in Singapore (or elsewhere).

SGX-ST notes that this appears to be contrary to two previous announcements made by China Environment Ltd. ("**China Environment**") (where Mr Huang Min was the Executive Director and Executive Chairman) on 16 June 2016 and 21 December 2016 (the "**Two CE Announcements**").

On 16 June 2016, China Environment announced that the Accounting and Corporate Regulatory Authority ("**ACRA**") had on 21 August 2015 issued a warning letter under Section 201(3A) of the Companies Act to Mr Huang Min and one Wu Jida who were China Environment's directors responsible for the financial management of China Environment. On 21 December 2016, China Environment also announced that it has lodged a report to the Commercial Affairs Department of Singapore ("**CAD**") against Mr Huang Min and China Environment's former CFO Chiar Choon Teck in respect of non-existent receivables in China Environment's subsidiary's accounts.

In view of the above, SGX-ST has raised the following queries to the Company:

Query 1:

In view of the Two CE Announcements, please explain how Mr Huang Min complies with the requirement of the character and integrity required of a director under Listing Rule 210(5)(b).

The Board's response: Mr Huang had resigned as director of China Environment in end March 2016. Mr Huang confirms that (i) he did not receive the ACRA letter, (ii) China Environment did not inform him of the ACRA letter (whilst he was still on its board) and (iii) he was not aware of China Environment's announcement in June 2016 regarding the ACRA letter (as he had already stepped down from its board before June 2016). In relation to China Environment's report to CAD in December 2016, Mr Huang has never been interviewed by CAD or any other

government authority in this connection, and thus from Mr Huang's perspective he is not aware of any investigations conducted against him arising from China Environment's report to CAD.

Query 2:

*Whether the Board of Directors and the Nominating Committee ("**NC**") has been made aware of the above, and if so, the NC's views on how Mr Huang Min meets the suitability requirement as the Executive Director of the Company. Please also provide the basis to substantiate the NC's views.*

The Board's response: Prior to Mr Huang's appointment as new director, the Company had only one single director (Mr Yang Meng Yang, Executive Director). All the independent directors had resigned in July 2018 and the Company does not have a properly constituted NC in place at the time of Mr Huang's appointment. At this juncture, Mr Yang (as Executive Director) feels that the Company has an urgent need to bolster its board composition to move the Company forward (including plans to take active steps to meet SGX-ST requirements for resumption of trading of its shares). Mr Huang, being a family member of Ms Huang Wen (currently the Company's single largest shareholder), has plans to hopefully enable the Company to resume trading of its shares. Once the Company is subsequently able to appoint additional independent directors to re-constitute its NC, the Board (together with its NC) would be prepared to review Mr Huang's suitability if required by SGX-ST.

BY ORDER OF THE BOARD

Yang Meng Yang
Executive Director
26 October 2018