



Fabchem China Limited

USE OF IPO PROCEEDS

The Board of Directors (the “Board”) of Fabchem China Limited (the “Group”) wishes to update our shareholders that as of 31 March 2009, the Company has utilised approximately RMB 42 million of the IPO proceeds for working capital purposes.

The use of IPO proceeds for working capital purposes is in accordance with the intended use of such proceeds as disclosed on page 24 of our Company’s Prospectus dated 5 April 2006.

Total IPO proceeds utilised up till 31 March 2009 is approximately RMB 75 million.

The Board will continue to make periodic announcements on the utilisation of the balance of the IPO proceeds until the whole of the IPO proceeds has been fully disbursed.

By Order of the Board

Dr Lim Seck Yeow
Non Executive Chairman
23 April 2009

