



Fabchem China Limited

PROPOSED ACQUISITION OF SHANDONG LAIZHOU PING'AN COMMERCIAL EXPLOSIVES CO., LTD. – UPDATE ON PROPOSED ACQUISITION

The board of directors (the “**Board**” or the “**Directors**”) of Fabchem China Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the announcement made by the Company on 18 June 2018 (the “**Announcement**”) in relation to the Proposed Acquisition. Unless otherwise stated, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Announcement.

The Company wishes to announce that the Proposed Acquisition has been put on hold pending the resolution of due diligence issues in respect of the Target Group.

The Company will make further announcements as is necessary to update on developments in respect of the Proposed Acquisition.

By Order of the Board

Bao Hongwei
Managing Director
31 January 2019

