Fabchem China Limited

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST")

The Board of Directors (the "Board") of Fabchem China Limited (the "Company" and together with its subsidiaries, the "Group") refers to its announcements dated 5 June 2017 and 4 December 2018 in relation to the notification of inclusion on the Watch-list pursuant to the Minimum Trading Price ("MTP") Entry Criteria pursuant to Listing Rule 1311(2) with effect from 5 June 2017 and notification of 3 consecutive years pre-tax losses ("Financial Entry Criteria") pursuant to Listing Rule 1311(1) with effect from 5 December 2018, respectively.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST, the Company must, for the period in which it remains on the Watch-list, provide the market with a quarterly update on its efforts and the progress made in meeting the exit criterion of the Watch-list.

Please refer to the Company's announcement on 14 February 2019 on the unaudited financial statements of the Group for the three months ended 31 December 2018 for an update on the Group's financial position and the Company's announcement on 31 January 2019 on update on the proposed acquisition of Shandong Laizhou Ping'an Commercial Explosives Co., Ltd. ("Laizhou Ping'an").

There is no material development that may have a significant impact on the movement of the Company's share price that would affect its position on the Watch-list. Other than the Company's announcements on 18 June 2018 and 31 January 2019 on the proposed acquisition of Laizhou Ping'an, the Company will continue to explore to seek growth through other strategic acquisitions, joint ventures and alliances in addition to organic growth.

The Company will continue to make efforts and consider various options to meet the requirements of the MTP Exit Criteria under Rule 1314(2) of the SGX-ST's Listing Manual and will update shareholders in due course.

By Order of the Board

Bao Hongwei
Managing Director
14 February 2019

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