



FABCHEM CHINA LIMITED

(Incorporated in the Republic of Singapore on 12 October 2004)
(Company Registration Number: 200413128G)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of FABCHEM CHINA LIMITED will be held at 39 Fishery Port Road, Singapore 619745 on Monday, 27 July 2009 at 9.30 a.m. for the following purposes:-

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2009 together with the Directors' Report and Auditors' Report thereon. **Resolution 1**
2. To approve the payment of Directors' Fees of S\$262,000 for the financial year ended 31 March 2009 (2008: S\$300,000). **Resolution 2**
3. To re-appoint Dr Lim Seck Yeow as a Director of the Company to hold office until the next Annual General Meeting pursuant to Section 153(6) of the Companies Act, Cap. 50. **Resolution 3**
Dr Lim Seck Yeow will, upon re-appointment as Director of the Company, remain as a member of the Audit Committee and will be considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. He will also remain as non-executive Chairman of the Company, a member of the Nominating Committee and Remuneration Committee.
4. To re-elect Mr Lim Hui Min John who is retiring under Article 107 of the Articles of Association. **Resolution 4**
Mr Lim Hui Min John, will upon re-election as Director of the Company, remain as Chairman of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. He will also remain as a member of the Nominating Committee and Remuneration Committee.
5. To re-elect Mr Sun Bowen who is retiring under Article 107 of the Articles of Association. **Resolution 5**
6. To re-elect Mr Bao Hongwei who is retiring under Article 107 of the Articles of Association. **Resolution 6**
7. To re-appoint Messrs RSM Chio Lim LLP, Certified Public Accountants, as auditors of the Company and to authorise the Directors to fix their remuneration. **Resolution 7**
8. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution (with or without amendments) as an Ordinary Resolution: -

9. **SHARE ISSUE MANDATE** **Resolution 8**
"THAT pursuant to Section 161 of the Companies Act, Cap. 50 (the "Act") and the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors to:
(i) issue shares in the capital of the Company whether by way of bonus issue, rights issue or otherwise; and/or
(ii) make or grant offers, agreements or options (collectively "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and/or
(iii) issue additional Instruments convertible into shares arising from adjustments made to the number of Instruments, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
(1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of any Instruments made or granted pursuant to this Resolution):
(a) by way of renounceable rights issues on a pro-rata basis to shareholders of the Company ("Renounceable Rights Issues") shall not exceed 100 percent of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in paragraph (3) below); and
(b) otherwise than by way of Renounceable Rights Issues ("Other Shares Issues") shall not exceed 50 percent of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (3) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed 20 percent, of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (3) below);
(2) the Renounceable Rights Issues and Other Shares Issues shall not, in aggregate, exceed 100 percent of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in paragraph (3) below);
(3) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under paragraphs (1)(a) and (1)(b) above, the percentage of issued shares shall be based on the total number of issued shares in the capital of the Company excluding treasury shares at the time this Resolution is passed, after adjusting for:
(i) new shares arising from the conversion or exercise of any convertible securities or shares options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
(ii) any subsequent bonus issue or consolidation or subdivision of shares;
(4) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
(5) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (i)]

10. **PLACEMENT OF SHARES UNDER THE SHARE ISSUE MANDATE AT MORE THAN 10% DISCOUNT** **Resolution 9**
"THAT notwithstanding Rule 811 of the Listing Manual, the Directors of the Company be and are hereby authorised to issue shares and/or Instruments other than on a pro-rata basis pursuant to the aforesaid general mandate at a discount not exceeding 20 percent to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement in relation to such shares and/or Instruments is executed, provided that:-
(a) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
(b) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier."

[See Explanatory Note (ii)]

11. **PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS** **Resolution 10**
"THAT:-
(a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited, for the Company, its Subsidiaries and Associated Companies or any of them to enter into any of the transactions falling within the types of the Interested Person Transactions, particulars of which are set out in the Appendix to this Notice of Annual General Meeting, with any party who is of the class of Interested Persons described in the Appendix to this Notice of Annual General Meeting, provided that such transactions are in accordance with the review procedures for Interested Person Transactions as set out in the Appendix to this Notice of Annual General Meeting;
(b) the approval given in sub-paragraph (a) above ("the Mandate") shall unless revoked or varied by the Company in general meeting continue in force until the next Annual General Meeting of the Company;
(c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendments to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and
(d) the Directors of the Company be and are hereby authorised, jointly or severally, to take such steps and exercise such discretion as the Directors of the Company may in their absolute discretion deem fit, advisable or necessary to give effect to the Mandate and/or this Resolution."

BY ORDER OF THE BOARD

TAN MIN-LI
COMPANY SECRETARY
SINGAPORE
10 July 2009

Explanatory Notes: -

- (i) Resolution No. 8 above, if passed, will empower the Directors to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments; up to a number not exceeding (i) 100% for Renounceable Rights Issues and (ii) 50% for Other Shares Issues, of which up to 20% may be issued other than on a pro-rata basis to shareholders, provided that the total number of shares which may be issued pursuant to (i) and (ii) shall not exceed 100% of the issued shares (excluding treasury shares) in the capital of the Company. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time that Resolution No. 8 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share option or vesting of share awards which are outstanding or subsisting at the time that Resolution No. 8 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.
The authority for undertaking 100% Renounceable Rights Issues is proposed pursuant to the SGX-ST's news release of 19 February 2009 which introduced further measures to accelerate and facilitate the fund raising efforts of listed issuers.
- (ii) Resolution No. 9 is to authorise the Directors to issue new shares to subscribers or placees at a discount of not more than 20% to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed.
The maximum pricing discount of 20% is proposed pursuant to the SGX-ST's news release of 19 February 2009 which introduced further measures to accelerate and facilitate the fund raising efforts of listed issuers.

Notes: -

- (a) A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf.
- (b) A proxy need not be a member of the Company.
- (c) The instrument appointing a proxy must be deposited at the Company's registered office at 8 Cross Street, #11-00 PWC Building, Singapore 048424 at least 48 hours before the time of the Meeting.