



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 4 December 2018 in relation to the notification of 3 consecutive years pre-tax losses (“Financial Entry Criteria”) pursuant to Listing Rule 1311 with effect from 5 December 2018.

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 12 November 2020 on the unaudited financial statements of the Group for the half year ended 30 September 2020 for an update on the Group’s financial position.

The Company would also like to caution Shareholders that due to the fluidity of the existing COVID-19 global pandemic, the Group may face unforeseen challenges during the current financial year ending 31 March 2021. The Company endeavours to keep Shareholders duly informed of any subsequent material developments.

On 12 October 2020, the Company announced that it had entered into a non-binding term sheet (“Term Sheet”) with Valiant Investments Limited, GCAP Australia Investments Pty Ltd and Gazelle Capital Pte Ltd (collectively the “Vendors” and each a “Vendor”) to acquire not less than 71.26% of the shares in the entire issued and paid-up share capital of Renewable Power Management Pty Ltd (“Proposed Acquisition”). The Proposed Acquisition, if undertaken and completed, is expected to result in a “reverse takeover” of the Company as defined under Chapter 10 of the Listing Manual of the SGX-ST. Pursuant to the Term Sheet, the Proposed Acquisition is subject to, inter alia, receipt of all relevant approvals, including that of Singapore Exchange Securities Trading Limited (“SGX-ST”) and the shareholders of the Company, and will also involve the disposal of the Company’s subsidiary, Shandong Yinguang Technology Co., Ltd (山东银光科技有限公司), and the transfer of listing and quotation of the Company’s shares from Mainboard to the Catalist board of the SGX-ST. The Company and the Vendors will use their best endeavours to enter into definitive agreements for the implementation of the Proposed Acquisition (“Definitive Agreements”) within 90 calendar days from the date of the Term Sheet and the Company will make further announcements in this regard. Please refer to the Company’s announcements on 12 October 2020 and 14 October 2020 for more information.

There is no other 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 Shandong Laizhou Ping’an Commercial Explosives Co., Ltd. and the Company’s announcements on 12 October 2020 and 14 October 2020 on the Proposed Acquisition, the Company will continue to explore to seek growth through other strategic acquisitions, joint ventures and alliances in addition to organic growth.





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The Company will continue to make efforts and consider various options to meet the requirements of the MTP Exit Criteria under Rule 1314 of the SGX-ST's Listing Manual and will update Shareholders should there be further developments in due course.

By Order of the Board

Bao Hongwei
Managing Director
12 November 2020

