



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**”) refers to its announcement dated 4 December 2018 (“**Announcement**”) in relation to the notification of the Company’s inclusion on the Watch-List due to the Financial Entry Criteria (as detailed in the Announcement) with effect from 5 December 2018 and its announcements dated 26 November 2021, 17 December 2021 and 4 March 2022 on the extension of time granted by SGX-ST to 4 August 2022 to exit the Watch-List.

Pursuant to Rule 1313(2) of the Listing Manual of the SGX-ST (“**Listing Rules**”), 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 criteria of the Watch-list.

Please refer to the Company’s announcement on 10 February 2022 on the unaudited financial statements of the Company for the 6-month period ended 31 December 2021 for an update on the Company’s financial position.

On 22 April 2021, the Company announced that it had entered into a sale and purchase agreement (“**SPA**”) with Tan Jit Meng, Soh Loong Chow Jackie and Tan Chee Khoo (collectively the “**Vendors**” and each a “**Vendor**”) to acquire 100.0% of the shares in the entire issued and paid-up share capital of Lincotrade & Associates Pte Ltd (“**Proposed Acquisition**”) in consideration for the allotment and issuance of an aggregate 113,636,363 new Shares by the Company, credited as fully paid-up, to the Vendors (“**Consideration Shares**”), at an issue price of S\$0.22 per Consideration Share.

The Proposed Acquisition, if undertaken and completed, is expected to result in a reverse take-over of the Company under Chapter 10 of the Listing Rules (“**Proposed RTO**”).

In connection with the Proposed Acquisition, the Company will also seek to transfer the listing and quotation of its Shares from the Mainboard of the SGX-ST to the Catalist board of the SGX-ST (“**Catalist**”) pursuant to Rule 410 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), subject to receipt of the required approvals (“**Proposed Transfer to Catalist**”).

The Proposed RTO, Proposed Transfer to Catalist and other related transactions in connection therewith, are subject to, *inter alia*, satisfaction of conditions precedent set out in the SPA and receipt of all relevant approvals, including that of the SGX-ST, the Securities Industry Council and Shareholders. The Company will convene an extraordinary general meeting (“**EGM**”) in due course for the Proposed RTO, Proposed Transfer to Catalist and other related transactions in connection therewith, and issue a circular to Shareholders with the notice of EGM.

As announced by the Company on 5 January 2022, RHB Bank Berhad, through its Singapore Branch (“**RHB Bank**”) as the financial adviser in respect of the Proposed Acquisition and Proposed RTO, and sponsor of the Company upon the Proposed Transfer to Catalist, had on 5 January 2022, submitted a pre-consultation letter to SGX-ST on behalf of the Company in accordance with the milestones announced by the Company on 17 December 2021 and 4 March 2022 for exiting the Watch-List.



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On 17 May 2022, the Company announced that RHB Bank submitted the pre-admission notification for the Proposed Acquisition and RTO to SGX-ST on behalf of the Company, in compliance with the relevant timeline and milestones of the waiver conditions provided by SGX-ST for exiting the Watch-List.

Please refer to the Company's announcements on 22 April 2021, 26 November 2021, 17 December 2021, 5 January 2022, 4 March 2022 and 17 May 2022 for more information on the Proposed Acquisition and Proposed RTO.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company as there is no certainty or assurance as at the date of this announcement that the Proposed Acquisition and Proposed Transfer to Catalist will proceed to completion. Completion of the Proposed Acquisition and Proposed Transfer to Catalist are subject to, *inter alia*, the fulfilment of all the conditions precedent in the SPA and receipt of the relevant approvals. Shareholders and potential investors of the Company should consult their stockbrokers, solicitors or other professional advisors if they have any doubts about the actions they should take.

Other than the above, 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.

By Order of the Board

Wee Phui Gam
Acting Chairman and Lead Independent Director
26 May 2022

