



**Fabchem China Limited**

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## **INCORPORATION OF SUBSIDIARY**

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The Board of Directors (the “Board”) of Fabchem China Limited (the “Company” and together with its subsidiary, the “Group”) wishes to announce that the wholly-owned subsidiary of the Company, Shandong Yinguang Technology Co., Ltd (“Yinguang Technology”) had incorporated a new wholly-owned subsidiary, Shandong Jiehua Wenlv Zhiye Co., Ltd (山东杰化文旅置业有限公司) (“Wenlv Zhiye”).

Wenlv Zhiye is incorporated in the People’s Republic of China with a registered capital of RMB 10,000,000. The principal activity of Wenlv Zhiye is to acquire the office property as approved by the Shareholders of the Company during the Extraordinary Meeting of the Company on 31 July 2018. For more information on the acquisition of the office property, please refer to the Circular of the Company dated 14 July 2017.

The incorporation of Wenlv Zhiye was funded through internal resources of the Group and is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Group for the financial year ending 31 March 2019.

None of the Directors, the controlling shareholders of the Company, and their respective associates has any interest, direct or indirect, in the incorporation of Wenlv Zhiye (other than through their respective shareholding interests in the Company, if any).

By Order of the Board

Dr Lim Seck Yeow  
Non-Executive Chairman  
30 May 2018