
ESTABLISHMENT OF ASSOCIATED COMPANY, MEGACHEM PLUS LIMITED

INTRODUCTION

The Board of Directors (the "Board") of Megachem Limited (the "Company" or together with its subsidiaries, the "Group") refers to the announcement made by the Company on 16 May 2018 in relation to the Proposed Acquisition ("Earlier Announcement"). Unless otherwise stated, all capitalised terms used herein shall have the same meaning as ascribed to them in the Earlier Announcement.

The Board wishes to announce that Megachem Thailand has incorporated Megachem Plus Limited, referred to as Newco in the Earlier Announcement, with an initial registered capital of Baht 155,000,000. The Company, through its shareholding in Megachem Thailand, has an indirect equity interest of approximately 28.95% in Megachem Plus Limited.

Mr Chew Choon Tee, Executive Chairman and Chief Executive Officer, and Mr Tan Bock Chia, Executive Director of the Company, are also directors on the board of Megachem Plus Limited. Other than the aforementioned, none of the directors and controlling shareholders of the Company or their respective associates has any interest, direct or indirect, in the above transaction, save through their respective shareholdings and/or directorships in the Company. The Company did not receive any notification from any of its controlling shareholders that they have any direct or indirect interest in the above transaction.

By order of the Board

Chew Choon Tee
Managing Director

3 July 2018

This announcement has been prepared by the Company and the contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr David Yeong (tel : (65) 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.