

SUNVIC CHEMICAL HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200406502E)

UPDATE ON RECEIPT OF LETTERS OF DEMAND BY THE COMPANY'S WHOLLY-OWNED SUBSIDIARIES IN RELATION TO CORPORATE GUARANTEES PROVIDED TO UNRELATED PARTIES

Unless otherwise expressly specified, capitalised terms herein shall bear the same meanings as defined in the Company's announcement dated 10 January 2019 titled "Receipt of Letters of Demand by the Company's Wholly-Owned Subsidiaries in relation to Corporate Guarantees provided to Unrelated Parties" ("10 January 2019 Announcement").

The Board of Directors (the "**Board**") of Sunvic Chemical Holdings (the "**Company**") refers to the 10 January 2019 Announcement and the Company's announcements dated 18 January 2019, 19 February 2019, 15 April 2019 and 16 April 2019 respectively in relation to the BOC Corporate Guarantee and the YFC Corporate Guarantee. The Board wishes to provide the shareholders with an update in relation to the YFC Corporate Guarantee.

As mentioned in the 10 January 2019 Announcement, Yixing Futao Credit as lender, Jiangsu Donglai as borrower and Yixing Yinyan as guarantor had entered into a third party guarantee agreement on 8 October 2018 in relation to the YFC Corporate Guarantee (the "**YFC Guarantee Agreement**").

As an update, Yixing Futao Credit, Jiangsu Donglai and Yixing Yinyan had entered into a supplemental agreement to the YFC Guarantee Agreement on 13 June 2019 ("**YFC Supplemental Agreement**"), under which the parties agreed, amongst others, that:

- (a) Jiangsu Donglai is the primary debtor and shall liquidate its assets or take such other steps to repay the YFC Loan and all other due payments including the interest payable under the YFC Guarantee Agreement to Yixing Futao Credit by 30 June 2020 (the "**Extended Repayment Date**"); and
- (b) Yixing Futao Credit shall not commence any legal proceedings against Jiangsu Donglai and Yixing Yinyan at any time prior to the Extended Repayment Date to seek repayment of the YFC Loan and all other due payments including the interest payable under the YFC Guarantee Agreement.

The Board will provide further updates to the shareholders on the developments of matters in relation to the BOC Corporate Guarantee and the YFC Corporate Guarantee in due course.

BY ORDER OF THE BOARD

Sun Xiao
Executive Director and Chief Executive Officer
20 June 2019