

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

RESPONSE TO SGX QUERIES ON ANNUAL REPORT 2017

All capitalised terms used herein, unless the context otherwise requires, shall bear the meanings ascribed to them in the 2017 Annual Report (as defined below).

Sunvic Chemical Holdings Limited (the "Company") has received queries from the Singapore Exchange Securities Trading Limited (the "SGX-ST") regarding the Company's 2017 Annual Report (the "FY2017 AR"). The Company's responses to the queries of the SGX-ST are set out below:-

1. Listing Rule 1207(10) provides that the issuer must provide the opinion of the board with the concurrence of the audit committee on the adequacy of the internal controls, addressing financial, operational and compliance risks.

Please explain why the opinion of the board was not given in the 2017 Annual Report.

Company's response:

Please refer to Page 35 of the FY2017 AR where a statement by the Audit Committee in relation to the Group's risk and internal control assessment has been disclosed.

The Board is pleased to confirm (with the concurrence of the Audit Committee) that the Group's internal controls and risk management systems were adequate to address financial, operational and compliance risks during the financial year ended 31 December 2017 save for areas relating to the outstanding interested person transactions and cross guarantees, which have been disclosed in the Group's quarterly results and other announcements.

2. The Company disclosed the aggregate value of all interested person transactions (“IPTs”) under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920) on page 42 of the Annual Report 2017.
 - i. Please disclose whether the Company has complied with the Listing Manual requirements relating to IPTs. If yes, please explain how the Company has complied with the requirements.
 - ii. If not, please disclose why the Company has not complied with the requirements and what the Company is doing with regard to compliance with the relevant Listing Rules.

Company’s response:

The Company has not complied with the Listing Manual requirements relating to IPTs.

Please refer to response for Query 3 below for further details on IPTs.

3. Please provide an update for “the process of obtaining SGX’s approval in respect of the contents in the shareholder’s circular to the extraordinary general meeting (“EGM”).”, as disclosed on page 54 of the Annual Report 2017.

Company’s response:

The Audit Committee has been engaging and is working closely with the Management and the majority shareholder to discuss and finalise a solution to rectify the above IPTs. A list of IPTs and their respective values, prepared on an on-going basis, has been periodically announced together with quarterly result announcements in order to provide sufficient details to shareholders so that the shareholders can make an informed decision during the EGM to be convened in due course.

BY ORDER OF THE BOARD

Sun Xiao
Executive Director and Chief Executive Officer
30 May 2018