

SUNVIC CHEMICAL HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200406502E)

COMPLETION AND TRANSFER OF 55% STAKE IN THE JOINT VENTURE COMPANY TO ARKEMA ASIE SAS

(1) INTRODUCTION

The Board of Directors (the “**Board**”) of Sunvic Chemical Holdings Limited (the “**Company**”) refers to the previous announcements released by the Company on 23 January 2014 and 29 January 2014 (the “**Prior Announcements**”), and the Circular dated 19 May 2014 in relation to the joint venture with Arkema Asie SAS (the “**Joint Venture**”).

Unless otherwise expressly specified, capitalised terms herein shall bear the same meanings as defined in the Prior Announcements.

(2) UPDATE ON THE JOINT VENTURE

Further to the Prior Announcements and the Circular, the Board is pleased to announce that Stage 1 and Stage 2 of the Joint Venture (the “**Equity Transfer**”) have been completed on 20 October 2014. As a result of the Equity Transfer, the Joint Venture Company, Sunke, has become a 45%-55% joint venture between Taixing Jurong (a wholly owned subsidiary of the Company) and Arkema respectively.

The consideration for the transfer of 55% stake of RMB1,450,000,000 will be paid by Arkema to Taixing Jurong within 4 weeks from the date of this announcement.

This transfer will have a positive impact for financial year ending 31 December 2014.

After this transfer, the net gain after taxes is approximately RMB762.6 million (or RMB1.43 per share) and the Net Tangible Asset value is approximately RMB5.72 per share based on 30 June 2014 unaudited financial statements.

(3) FUTURE UPDATES

The Board will update shareholders on any material developments in due course and the Company will make further announcements as and when there are any subsequent developments.

BY ORDER OF THE BOARD

Sun Xiao
Executive Director and CEO
21 October 2014