

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

---

**ANNOUNCEMENT OF ARBITRATION PROCEEDING AND INJUNCTIONS AGAINST THE COMPANY'S WHOLLY-OWNED SUBSIDIARY**

---

The Board of Directors (the “**Board**”) of Sunvic Chemical Holdings Limited (the “**Company**”) wishes to announce that the Board has been notified by the Management that an arbitration proceeding was commenced on 27 August 2018 against Taixing Jurong Chemical Co., Ltd (“**Taixing Jurong**”), a wholly-owned subsidiary of the Company, in China International Economic and Trade Arbitration Commission (“**CIETAC**”) by Taixing Sunke Chemicals Co., Ltd (“**Taixing Sunke**”), which is a 45%-55% joint venture between Taixing Jurong and Arkema Asie SAS respectively. An application for injunctions was applied by Taixing Sunke via CIETAC to Taizhou City Intermediate People's Courts of the People's Republic of China on 27 August 2018.

The arbitration proceeding was commenced by Taixing Sunke against Taixing Jurong for monies amounting to approximately RMB 404 million which are due and owing by Taixing Jurong to Taixing Sunke in respect of acrylic acid and acrylate esters provided by Taixing Sunke to Taixing Jurong.

Taixing Sunke had applied injunctions against Taixing Jurong to freeze effectively all of the assets of Taixing Jurong up to the amount claimed under the arbitration proceeding (the “**Injunctions**”) and was granted the Injunctions by Taizhou City Intermediate People's Courts of the People's Republic of China on 31 August 2018.

As the applicant of the arbitration proceeding and the Injunctions is Taixing Sunke, our joint-venture company, the Management has been actively engaging in discussions with Taixing Sunke since end of August 2018 to resolve this matter.

The Board is currently trying to obtain more information relating to the arbitration proceeding and the Injunctions, and will make the relevant announcements in compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited to update the shareholders of the Company of any further development on this matter.

***Shareholders are advised to exercise caution in trading their shares in the Company.***

**BY ORDER OF THE BOARD**

**Sun Xiao**  
**Executive Director and Chief Executive Officer**  
**2 November 2018**