

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

MINOR FIRE INCIDENT AT JIANGSU JURONG CHEMICAL CO., LTD’S ACRYLATE ESTERS PLANT

The Board of Directors (the “Board”) of Sunvic Chemical Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that a minor fire incident had occurred in the early morning of 26 June 2014 at the premises of Jiangsu Jurong Chemical Co., Ltd (“**JJC**”) in Yancheng City. This fire incident only affected the production plant for acrylate esters (“**AE**”) and the fire was put out within hours of the incident.

Based on preliminary investigation, the fire incident was caused by pipeline leakage in the AE production plant. There was no casualty or injury caused by the fire incident. The fire incident also did not result in any pollution or environmental consequences. As some of the electrical wires were damaged by the fire incident, we have decided to temporarily shut down our entire plant at JJC to replace the affected wires. We will progressively resume the production activities of the production plants at JJC for PMIDA, glyphosate and acrylic acid (“**AA**”).

The Group has taken steps to assess and file an insurance claim in respect of the fire incident. The total estimated cost to replace the affected equipment is not significant and it will take several months to recommence full production activities at the AE production plant. Based on the production track record of the AE plant in JJC, the estimated impact to our Group’s 2014 total revenue due to the fire incident will be less than 5%.

JJC has production plants for AA and AE with total annual production capacity of 205,000 tonnes and 250,000 tonnes respectively. In addition, JJC also produces PMIDA and glyphosate with total annual production capacity of 40,000 tonnes and 20,000 tonnes respectively. The fire incident did not affect our AA plants which are currently undergoing a major upgrade and is targeted to recommence production in the next 2 months. Production of PMIDA and glyphosate is expected to resume by end of July 2014.

The Group's AA and AE production plants at Taixing City are not affected by the fire incident.

BY ORDER OF THE BOARD

Sun Xiao
Executive Director and CEO
1 July 2014