

CHEMICAL INDUSTRIES (FAR EAST) LIMITED

(Incorporated in the Republic of Singapore)

Registration No. 196200046K

GENERAL ANNOUNCEMENT

BUSINESS UPDATE

The Board of Directors of Chemical Industries (Far East) Limited (the "Company" and together with subsidiaries, the "Group") wishes to announce that it has received a letter on 7 November 2014 from one of its major customers announcing that it will cease its business activities in Singapore at end 2015. This major customer's contribution to the Group's annual revenue is significant.

As the proposed cessation of business is expected to occur at the end of 2015, this is not expected to have a material adverse impact on the Group's consolidated net tangible assets per share and earnings per share for the current financial year ending 31 March 2015. The withdrawal of this major customer from business in Singapore will however have a negative impact on the Group's financial position for the financial year ending 31 March 2016.

BY ORDER OF THE BOARD

FOO SOON SOO

Company Secretary

Singapore

11 November 2014