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Ko Yo Chemical (Group) Limited

玖源化工(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 827)

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS RULE 13.10 ENQUIRY

The board of directors (the “Board”) of Ko Yo Chemical (Group) Limited (the “Company”) has noted today’s increases in the price and trading volume of the shares of the Company. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that it is not aware of any reasons for such price and volume movements or of any information which must be announced to avoid a false market in the Company’s securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance except for the following reasons:

- 1) The Board is pleased to announce that the chemical project of the Company for 500,000 tons of methanol and 300,000 tons of ammonia (“Guangan Project”) in Guangan City of Sichuan Province has completed the whole testing stage this morning and fulfilled the condition for entering production stage.
- 2) The Company is in negotiation with third parties for possible financing.

This announcement is made by order of the Board of which the directors individually and jointly accept responsibility for the accuracy of this announcement

By Order of the Board
Ko Yo Chemical (Group) Limited
Chairman
Li Wei Ruo

Hong Kong, 28 July 2014

As at the date of this announcement, the board of directors comprises seven executive directors, being Mr. Li Weiruo, Mr. Yuan Bai, Ms Chi Chuan, Ms Man Au Vivian, Mr. Li Shengdi, Mr. Li Feng and Mr. Li Ciping and four independent non-executive directors being, Mr. Hu Xiaoping, Mr. Woo Che-Wor, Alex, Mr. Qian Laizhong and Mr. Sun Tongchuan.