



China Sunsine Chemical Holdings Ltd.

112 Robinson Road #12-04 Singapore 068902
Tel: (65) 6220-9070 Web: www.ChinaSunsine.com

Company Registration No.: 200609470N

CLARIFICATION ON THE FY2012 ANNUAL REPORT (“ANNUAL REPORT”)

The Board of Directors (the “**Board**”) of China Sunsine Chemical Holdings Ltd. (the “**Company**”) wishes to provide the following information in response to queries from Singapore Exchange Securities Trading Limited (“SGX-ST”) on 15 April 2013 with regards to the Company’s Annual Report.

Query 1:

We note on page 30 of the Company’s annual report that the Board, with the concurrence of the AC, is of the opinion that the system of internal controls and risk management procedures maintained by the Management are reasonably adequate to meet the needs of the Company in addressing the financial, operational and compliance risks to the Company as at 31 December 2012. Please clarify whether the Board and the AC are of the opinion that the Company’s internal controls addressing financial, operational, compliance risks and risk management processes are adequate.

Company’s response:

The relevant paragraph of the Corporate Governance Report appearing on page 30 of the Annual Report shall be amended as follows:

Original Version of the Corporate Governance Report:

Based on the internal control and risk management systems established and maintained by the Group, and work conducted by the internal and external auditors as set out in their respective reports, the Board, with the concurrence of AC, is of the opinion that the system of internal controls and risk management procedures maintained by the Management are reasonably adequate to meet the needs of the Company in addressing the financial, operational and compliance risks to the Company as at 31 December 2012.

Amended Version of the Corporate Governance Report:

Based on the internal control and risk management systems established and maintained by the Group, and work conducted by the internal and external auditors as set out in their respective reports, the Board, with the concurrence of AC, is of the opinion that the system of internal controls and risk management procedures maintained by the Management are adequate to meet the needs of the Company in addressing the financial, operational and compliance risks to the Company as at 31 December 2012.



China SunSine Chemical Holdings Ltd.

112 Robinson Road #12-04 Singapore 068902
Tel: (65) 6220-9070 Web: www.ChinaSunSine.com

Company Registration No.: 200609470N

Query 2:

We note on page 32 of the Company's annual report that Directors and employees are prohibited from dealing in the Company's shares in the said period pursuant to Rule 1207(19)(c). Please confirm whether the Company is also prohibited from trading in the Company's shares in the said period pursuant to Rule 1207(19)(c).

Company's response:

The relevant paragraph of the Corporate Governance Report appearing on page 32 of the Annual Report shall be amended as follows:

Original Version of the Corporate Governance Report:

The Group prohibits the directors and employees to trade in the Company's securities, during the period beginning 1 month and 2 weeks before the date of the announcement of the full year or quarterly results respectively and ending on the date of the announcement of the relevant results ("**Prohibited Periods**"). Directors and employees are also advised against dealing in the securities when they are in possession of any unpublished material price-sensitive information of the Group.

Amended Version of the Corporate Governance Report:

The Group and its officers and employees are prohibited from trading in the Company's securities, during the period beginning 1 month and 2 weeks before the date of the announcement of the full year or quarterly results respectively and ending on the date of the announcement of the relevant results ("**Prohibited Periods**"). Directors and employees are also advised against dealing in the securities when they are in possession of any unpublished material price-sensitive information of the Group.

BY ORDER OF THE BOARD

Xu Chengqiu
Executive Chairman

16 April 2013