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NEWS RELEASE

China Sunsine continues to sell more despite slowdown in China

- **2Q2013 revenue achieved 17% growth to RMB 426.5 mln**
- **Continue to hit new quarterly sales volume record at 24,749 tons**

SINGAPORE – 5 August 2013 - China Sunsine Chemical Holdings Ltd ("China Sunsine" or the "Group"), a specialty rubber chemicals producer and global leader in the production and supply of rubber accelerators, is today pleased to report a positive set of financial results for the second quarter and first half year ended 30 June 2013 ("2Q2013" and "1H2013", respectively) despite the challenging economic circumstances in the PRC and the global markets.

Financial Highlights

RMB' million	Quarter Ended		Change	Half Year Ended		Change
	30 Jun 13	**30 Jun 12**		**30 Jun 13**	**30 Jun 12**	
Group Revenue	**426.5**	363.3	17%	**810.5**	687.3	21%
Gross Profit	**79.3**	72.7	9%	**135.3**	130.2	4%
Gross Profit Margin (GPM)	**18.6%**	20.0%	-1.4 pts	**16.7%**	19.0%	-2.3pts
Profit before tax	**32.5**	19.3	68%	**48.2**	42.4	14%
Net profit after tax	**20.5**	11.2	83%	**32.1**	27.1	18%
Sales Volume (tons)	**24,749**	20,411	21%	**46,798**	38,746	21%
EPS (RMB cents)	**4.39**	2.42	81%	**6.90**[1]	5.79	19%
NAV per share (RMB cents) as of the period				165.13[2]	163.49	1%

For 2Q2013, revenue grew 17% to RMB 426.5 million compared to RMB 363.3 million in 2Q2012. This was attributed to the continuing growth in sales volume, which increased 21% yoy from 20,411 tons a year ago to 24,749 tons in 2Q2013. Our increased capacity to meet demand and our marketing efforts underpinned our market leader position amidst a

[1] Based on weighted number of shares: 465,504,000 shares, equivalent to 1.41 SGD cents at exchange rate of 4.8847
[2] Based on 465,504,000 shares (excluding treasury shares, equivalent to 33.81 SGD cents at exchange rate of 4.8847

competitive operating environment. However, Average Selling Price ("ASP") for all products slightly decreased from RMB 17,801 per ton in 2Q2012 to RMB 17,233 in 2Q2013. The ASP decrease was in line with the Group's marketing strategy to expand its market share. The overall gross profit margin slid to 18.6% from 20.0% in 2Q2012 due to higher raw material costs.

2Q2013 net profit climbed 83% from RMB 11.2 million in 2Q2012 to RMB 20.5 million mainly due to savings from R&D expenses of RMB 9.3 million related to the trial production of 6PPD which was incurred in 2Q2012.

The Group's 1H2013 net profit improved 18% to RMB 32.1 million from RMB 27.1 million in 1H2012 for the above mentioned reasons.

Analysis of Sales and Volume

	Sales Volume (Tons)				**Sales** (RMB'm)			
	2Q2013	**2Q2012**	**1H2013**	**1H2012**	**2Q2013**	**2Q2012**	**1H2013**	**1H2012**
Accelerators	18,360	16,567	35,020	31,697	339.4	313.3	650.2	597.2
Insoluble sulphur	3,145	2,672	6,157	5,154	36.6	31.0	71.4	58.9
Anti-oxidant	2,900	857	4,972	1,271	44.5	12.9	77.6	19.2
Others	344	315	649	624	6.0	6.1	11.3	12.0
Total	24,749	20,411	46,798	38,746	426.5	363.3	810.5	687.3
Local Sales	*17,201*	*13,455*	*31,853*	*25,434*	*277.9*	*221.3*	*516.8*	*413.7*
International Sales	*7,548*	*6,956*	*14,945*	*13,312*	*148.6*	*142.0*	*293.7*	*273.6*

During the quarter, sales volume across all categories increased due to the Group's ability to increase its production capacity of existing products and its marketing and pricing strategies. Sales volume for accelerators and insoluble sulphur grew 11% and 18%, respectively yoy. Sales volume for anti-oxidant (including 6PPD and TMQ) grew a significant 238% with contributions mainly from the newly-introduced 6PPD which is progressively receiving accreditation from our local customers.

Mr Xu Cheng Qiu (徐承秋), Executive Chairman, says, ***"In the first half year of 2013, the overall operating environment was challenging due to the overcapacity situation facing the industry. However, automobile sales in China managed to post better growth. Auto sales in the first half year reached 10.8 million units, up 12% year-on-year. Our sales volume continued to grow given our effective marketing strategies and economies of scale. We remain positive on the outlook of the Group for this year. "***

Based on its latest 1H2013 results, the Group's earnings per share was RMB 6.90 cents. The Group's financial position remains healthy. Its total cash and cash equivalents amounted to RMB 150.9 million with net assets per share of RMB 165.13 cents as at 1H2013.

Expansion Plan Update

The Group completed the 4,000-ton DPG plant at Weifang facility and has commenced trial production.

In a bid to expand our market for insoluble sulphur and increase our production capacity, Shandong Sunsine Chemical Co Ltd. ("Shandong Sunsine") has entered into a MOU with the Dingtao local government to acquire a 280 mu (approximately 187,000 sqm) of land at Dingtao Economic Development Zone (定陶经济开发区), Dingtao City, Shandong Province. The site is connected to a highway and easily accessible, and is about 1 hour drive from the current Shanxian Facility. When fully developed, it will have a production capacity of at least 30,000 tons of insoluble sulphur per year. Construction will be carried out in phases. Phase 1 includes the construction of a 10,000-ton per year production plant and other ancillary facilities. Together with the land cost, the initial cost of investment is budgeted at approximately RMB 100 million. This investment will be funded by internal resources and bank borrowings. The land purchase and development will be executed via a wholly-owned subsidiary under Shandong Sunsine (further details of the subsidiary will be made in a separate announcement once it is incorporated). Construction of Phase 1 is scheduled to be completed by year end, and is not expected to have any material impact on our earnings per share and net tangible assets per share for FY2013.

Update of our production capacity is set out below:

Tons	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013e
Accelerators	39,000	50,000	55,000	56,500	56,500	66,500	70,500
Insoluble Sulphur	5,000	5,000	8,000	10,000	10,000	10,000	20,000
Anti-oxidant	-	5,000	10,000	10,000	25,000	25,000	25,000
Total	***44,000***	***60,000***	***73,000***	***76,500***	***91,500***	***101,500***	***115,500***

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About China Sunsine Chemical Holdings Ltd.

Listed on SGX-ST on 5 July 2007, China Sunsine Chemical Holdings Ltd. ("China Sunsine") is a leading specialty chemical producer selling accelerators, anti-oxidant, vulcanising agent and anti-scorching agent. It is the largest producer of rubber accelerators in PRC and one of the largest in the world serving all the global top 10 tire manufacturers - Bridgestone, Michelin, Goodyear, Continental, Pirelli, Sumitomo, Yokohama, Hankook, Cooper, Kumho Tire as well as PRC Tire giants such as Hangzhou Zhongce, GITI Tire and Shanghai Double Coin Tyre. China Sunsine distributes its products under its own "Sunsine" brand, a brand which has been accredited as a "Shandong Province Famous Brand".

As a chemical producer serving its global customers, China Sunsine continuously improves its manufacturing capability, and has achieved ISO9001:2000 standard for quality, ISO14001:2004 standard for environment, and GB/T28001-2001 standard for occupational health and safety management system.

It is a component stock of the FTSE-ST China Index. Its SGX ticker code is "ChinaSsine", Bloomberg ticker code is "CSSC SP".

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