



China Sunsine Chemical Holdings Ltd.

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Company Registration No.: 200609470N

UPDATE ON RECTIFICATION ACTIONS CARRIED OUT BY SHANDONG SUNSINE

Unless otherwise defined, all capitalised terms herein shall bear the same meanings as the announcement made by the Company on 29 May 2017.

The Board of Directors (the “**Board**”) of China Sunsine Chemical Holdings Ltd. (the “**Company**”, and together with its subsidiaries, collectively the “**Group**”) refers to the Company's announcement made on 29 May 2017, and wishes to update shareholders on the progress of rectification works carried out to-date by Shandong Sunsine.

The Board is pleased to inform that the on-line monitoring equipment has been installed at the chimney used in the recycling of sulphur at Shandong Sunsine, and has commenced operations as of 31 May 2017. The Group wishes to reassure all stakeholders that it takes environmental protection measures very seriously, and meeting the deadline imposed by the Heze Environmental Protection Agency is a testament to our commitment in ensuring compliance with environmental protection laws and regulations. The Group will continue to improve and strengthen its on-site management work, including taking appropriate measures to avoid exposure of harmful chemicals, stepping up staff training and increasing environmental awareness of its staff, among others.

The Board also wishes to report that all other weaknesses highlighted by the Inspection Team will be mitigated or rectified in due course. The Group has always placed environmental protection as its top priority and will continue to vigilantly monitor its operations, and implement such other environmental protection measures as may be necessary to stay competitive in the rubber chemicals industry.

BY ORDER OF THE BOARD

Xu Chengqiu
Executive Chairman
1 June 2017