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Announcement Details :

Announcement Reference Number	00002
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Company Name	CHINA SUNSINE CHEM HLDGS LTD.
Announcement Title	FIRST QUARTER RESULTS * FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT
Announcement Category	FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT

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SGX Securities Trading, Market Control Department (Securities Operations)

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First Quarter Results * Financial Statement And Related Announcement	
* Asterisks denote mandatory information	
Name of Announcer *	CHINA SUNSINE CHEM HLDGS LTD.
Company Registration No.	200609470N
Announcement submitted on behalf of	CHINA SUNSINE CHEM HLDGS LTD.
Announcement is submitted with respect to *	CHINA SUNSINE CHEM HLDGS LTD.
Announcement is submitted by *	Xu Cheng Qiu
Designation *	Executive Chairman
Date & Time of Broadcast	29-Apr-2010 07:32:43
Announcement No.	00002

>> Announcement Details
 The details of the announcement start here ...

For the Financial Period Ended *	31-03-2010
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Description	
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Attachments

-  ChinaSunsine_ResultsAnnouncement_1Q2010.pdf
 -  ChinaSunsine_ResultsPressRelease_1Q2010.pdf
- Total size = **122K**
 (2048K size limit recommended)

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China SunSine Chemical Holdings Ltd.

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

Company Registration No.: 200609470N

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2010

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) **A Consolidated Statement of Comprehensive Income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Unaudited Consolidated Statement of Comprehensive Income for 1st Quarter Ended 31 March 2010

	1st quarter ended		Change
	31/03/2010	31/03/2009	
	RMB' million		
Revenue	202.7	134.1	51%
Cost of sales	154.7	111.8	38%
Gross profit	48.0	22.3	115%
Other income	2.2	3.9	(44%)
Selling and distribution expenses	6.7	6.0	12%
Administrative expenses	8.2	7.8	5%
Other expenses	0.4	-	n.m
Finance expenses	0.7	0.1	600%
Profit before tax	34.2	12.3	178%
Income tax expenses	3.8	1.4	171%
Profit after tax	30.4	10.9	179%
Other Comprehensive income:			
Exchange differences on translation, net of tax	0.0	(2.5)	n.m
Total comprehensive income for the period	30.4	8.4	262%
Gross profit margin	23.7%	16.6%	7.1pts
Earnings per share (RMB cents)	6.37	2.25	183%

n.m. - not meaningful

Notes to the Consolidated Statement of Comprehensive Income:

1. Profit before tax is arrived at after charging/(crediting) the following:-

	1st quarter ended		Change
	31/03/2010	31/03/2009	
	RMB' million		
Interest income	(1.3)	(1.0)	30%
Interest on borrowings	0.7	0.1	600%
Depreciation of property, plant and equipment	5.9	5.0	18%
Amortisation of Intangible Assets	0.1	0.1	-
Written back of impairment on receivables	-	(1.8)	n.m
Net foreign exchange loss/(gain)	0.4	(0.6)	166.7%

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1(b)(i) A Statements of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Note	<u>GROUP</u>		<u>COMPANY</u>	
		31/03/2010 RMB' million	31/12/2009 RMB' million	31/03/2010 RMB' million	31/12/2009 RMB' million
ASSETS					
NON-CURRENT ASSETS					
Subsidiary		-	-	371.1	371.1
Property, plant and equipment	(1)	197.3	184.1	-	-
Intangible assets		17.9	18.0	-	-
Available-for-sale financial assets		14.0	14.0	14.0	14.0
		229.2	216.1	385.1	385.1
CURRENT ASSETS					
Available-for-sale financial assets	(2)	20.0	22.4	-	2.4
Inventories	(3)	62.0	54.3	-	-
Trade receivables	(4)	184.6	181.2	-	-
Other receivables, deposits and prepayment	(5)	115.3	96.5	0.1	-
Cash and cash equivalents		162.6	195.7	5.2	4.7
		544.5	550.1	5.3	7.1
TOTAL ASSETS		773.7	766.2	390.4	392.2
Share capital		313.5	313.5	313.5	313.5
Treasury shares		(13.0)	(13.0)	(13.0)	(13.0)
Merger reserve		0.3	0.3	-	-
Statutory reserves		43.8	43.8	-	-
Exchange on translation		(7.0)	(7.0)	(5.7)	(5.8)
Retained earnings		292.2	261.8	87.1	87.4
TOTAL EQUITY		629.8	599.4	381.9	382.1
LIABILITIES					
NON-CURRENT LIABILITY					
		-	-	-	-
CURRENT LIABILITIES					
Trade payables	(6)	36.6	33.8	-	-
Other payables and accruals	(7)	51.6	67.1	8.4	10.1
Deferred grant		6.3	6.4	-	-
Due to a subsidiary		-	-	0.1	-
Bank loans	(8)	40.0	50.0	-	-
Income tax payable		9.4	9.5	-	-
		143.9	166.8	8.5	10.1
TOTAL LIABILITIES		143.9	166.8	8.5	10.1
TOTAL EQUITY AND LIABILITIES		773.7	766.2	390.4	392.2

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/03/2009		As at 31/12/2009	
Secured RMB' million	Unsecured RMB' million	Secured RMB' million	Unsecured RMB' million
-	40.0 ⁽¹⁾	-	50.0

Details of any collateral

No collateral

Notes to Statement of Financial Position

Note (1) Property, plant and equipment has increased by RMB 13.2 million from RMB 184.1 million to RMB 197.3 million due mainly to purchase of machinery and equipment relating to various projects and addition of construction-in-progress in 1QFY2010 amounting to approximately RMB 19.2 million less net depreciation of RMB 5.9 million.

Note (2) Short-term available for sale investments have declined by RMB 2.4 million due to the maturity of the SGD 500,000 notes.

Note (3) Inventories has increased by RMB 7.7 million from RMB 54.3 million to RMB 62.0 million due to higher cost of raw materials which also translated to higher cost of finished goods. As TMQ production re-commenced in March 2010, its inventory level was higher.

Note (4) Trade receivables increased by RMB 3.4 million from RMB 181.2 million to RMB 184.6 million due to higher sales in March 2010 compared to December 2009.

Note (5) Other receivables and prepayment increased by RMB 18.8 million from RMB 96.5 million to RMB 115.3 million due mainly to the followings:

- interest-bearing loan to 3rd parties amounting to RMB 18.0 million secured with corporate guarantee and/or option to acquire borrower's equity; and
- increase in pre-operating expenses prepayment for Weifang Project as the construction would commence once the land purchase formalities are completed.

Note (6) Trade payables increased by RMB 2.8 million from RMB 33.8 million to RMB 36.6 million was in line with the increase in price of raw materials.

Note (7) Other payables decreased by RMB 15.5 million from RMB 67.1 million to RMB 51.6 million due mainly to the payment of staff and management bonuses, staff social insurance and outstanding amount for the construction projects.

Note (8) Unsecured bank loans of RMB 50.0 million was borrowed and RMB 60 million was repaid during 1QFY2010.

1(c) A Consolidated Statement of Cash Flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Note	1st quarter ended	
		31/03/2010	31/03/2009
		RMB' million	
Cash flows from operating activities			
Profit before tax		34.2	12.3
Adjustments for:-			
Depreciation of property, plant and equipment		5.9	5.0
Amortisation of intangible Assets		0.1	0.1
Allowance/ (written back) of impairment on receivables		-	(1.8)
Interest income		(1.3)	(1.0)
Interest expense		0.7	0.1
Translation difference		n.m	(1.8)
Operating profit before working capital changes		39.6	12.9
Changes in working capital:			
Inventories		(7.7)	23.4
Trade and other receivables, deposits and prepayment		(22.2)	38.8
Trade and other payables		(12.7)	11.0
Cash deposit restricted in use by banks		(19.1)	(5.4)
Cash (used in)/generated from operations		(22.1)	80.7
Income tax paid		(3.9)	(1.7)
Net cash (used in)/generated from operating activities	(1)	(26.0)	79.0
Cash flows from investing activities			
Purchase of plant and equipment		(19.2)	(11.2)
Proceeds from AFS financial asset		2.4	25.0
Interest income received		1.3	1.0
Net cash (used in)/generated from investing activities	(2)	(15.5)	14.8
Cash flows from financing activities			
Interest expense paid		(0.7)	(0.1)
Share buyback		-	(2.0)
Grant received		-	0.1
Proceeds from bank loan		50.0	-
Repayment of bank loans		(60.0)	-
Repayment of borrowings from a director		-	(16.4)
Net cash used in financing activities	(3)	(10.7)	(18.4)
Net (decrease)/increase in cash and bank balances		(52.2)	75.4
Cash and bank balances at beginning of period		176.4	184.2
Cash and bank balances at end of period		124.2	259.6
Cash and bank balances at end of period includes the followings			
Cash and cash equivalents		162.6	265.0
Cash deposit pledged with bank	(4)	(38.4)	(5.4)
Cash and bank balances at end of period		124.2	259.6

Notes to Cash flows for 1Q2010

(1) Net cash used in the operating activities amounting to RMB 26.0 million was mainly due to the increase in loans to third parties as described in Note (5) in Pg 4.

- (2) Net cash used in investing activities amounting to RMB 15.5 million was mainly due to the increased payment for capital equipment and construction work projects and lower proceeds from maturity of AFS financial asset.
- (3) Net cash used in financing activities amounted to RMB 10.7 million as RMB 10 million of internal resources were used to make partial loan repayment to ICBC.
- (4) The increase in deposit pledged with the banks for trade facilities was in line with the increase in imported raw materials.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Unaudited Statements of Changes in Equity

GROUP

	Share Capital	Treasury Shares	Statutory, Merger, Exchange reserves	Retained Earnings	Total
	RMB'million	RMB'million	RMB'million	RMB'million	RMB'million
Balance as at 1 January 2010	313.5	(13.0)	37.1	261.8	599.4
Total Comprehensive Income for the period	-	-	n.m	30.4	30.4
Balance as at 31 March 2010	313.5	(13.0)	37.1	292.2	629.8
Balance as at 1 January 2009	313.5	(6.7)	22.4	211.3	540.5
Total Comprehensive Income for the period	-	-	(2.5)	10.9	8.4
Interim dividend declared	-	-	-	(21.6)	(21.6)
Shares buy back held in treasury	-	(2.0)	-	-	(2.0)
Balance as at 31 March 2009	313.5	(8.7)	19.9	200.6	525.3

COMPANY

	Share Capital	Treasury Shares	Statutory, Merger, Exchange reserves	Retained Earnings	Total
	RMB'million	RMB'million	RMB'million	RMB'million	RMB'million
Balance as at 1 January 2010	313.5	(13.0)	(5.8)	87.4	382.1
Total Comprehensive Income for the period	-	-	0.1	(0.3)	(0.2)
Balance as at 31 March 2010	313.5	(13.0)	(5.7)	87.1	381.9
Balance as at 1 January 2009	313.5	(6.7)	(5.3)	94.8	396.3
Total Comprehensive Income for the year	-	-	(2.9)	0.2	(2.7)
Interim dividend declared	-	-	-	(21.6)	(21.6)
Share buyback-held in treasury	-	(2.0)	-	-	(2.0)
Balance as at 31 March 2009	313.5	(8.7)	(8.2)	73.4	370.0

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of shares	Resultant issued and paid up share capital S\$
As at 1 January 2009	484,441,000	61,234,149
Share buyback – held as treasury	(7,084,000)	(1,333,267)
Balance as at 31 December 2009	477,357,000	59,900,882
Share buyback – held as treasury	-	-
Balance as at 31 March 2010	477,357,000	59,900,882

There are no outstanding convertibles issued by the Company as at 31 March 2010.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

See above table.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

See above table. There is no sale, transfer, disposal, cancellation of treasury shares at the end of 1QFY2010. Total number of treasury shares at end 1QFY2010 stands at 14,337,000.
[Note – The disclosures required in 1(d)(ii), (iii) and (iv) may be made in form of statement paragraphs or, in tabular form.]

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ("FY") ended 31 December 2009 except for the adoption of the new and revised Financial Reporting Standards which became effective for the financial period beginning on or after 1 January 2010. The adoption of these new and revised accounting standards did not give rise to any significant impact on the financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

None

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	1Q2010 RMB (cents)	1Q2009 RMB (cents)
Basic Earnings per share (Basic EPS) - based on weighted average number of shares on issue	6.37	2.25
The calculations of EPS is based on net profit and number of shares shown below: Profit attributable to equity holders (RMB'000) Weighted average number of shares applicable to basic EPS ('000)	30,384 477,357	10,873 483,098

There is no difference between the basic and diluted earnings per share as the Company has no potential dilutive securities as at 31 March 2010.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31/03/2010	31/12/2009	31/03/2010	31/12/2009
Net asset attributable to shareholders (RMB'000)	629,778	599,366	381,883	382,091
Net asset value per ordinary share (RMB cents)	131.93**	125.56	80.00	80.04
Number of issued shares* ('000)	477,357	477,357	477,357	477,357

* number of issued shares excludes treasury shares

** equivalent to 27.07 SGD cents at exchange rate of about 4.8733

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

RMB million	1Q2010	1Q2009	Change
Group Revenue	202.7	134.1	51%
Gross Profit	48.0	22.3	115%
Profit before tax	34.2	12.3	178%
Net profit	30.4	10.9	179%

Commentaries on performance

The economic outlook in this quarter has improved substantially compared to 1QFY2009 which was the worst quarter in FY2009 as the global economic crisis commenced in late 2008. 1QFY2010 revenue increased by 51% to RMB 202.7 million as compared to RMB 134.1 million in 1QFY2009 due to the increase in our sales volume and average selling price. Sales Volume improved 26% to 11,214 tons as compared to 8,870 tons in 1QFY2009 as we are able to increase our production capacity to meet the increased demand.

Overall average selling price (ASP) for all products increased to RMB 18,100 per ton in 1QFY2010 as compared to RMB 15,100 per ton in 1QFY2009. Besides the increased demand for our products, the ASP increased was partly due to increase in raw material prices.

Analysis of Sales and Volume

	Sales Volume (Tons)		Sales (RMB' million)	
	1Q2010	1Q2009	1Q2010	1Q2009
Accelerators	10,108	7,930	189.3	125.2
Insoluble sulphur	836	534	9.0	4.6
Anti-oxidant	91	348	1.2	2.9
Others	179	58	3.2	1.4
Total	11,214	8,870	202.7	134.1
Domestic Sales	6,467	6,362	110.4	89.4
International sales	4,747	2,508	92.3	44.7

Sales volume across all categories increased except for anti-oxidant, TMQ. The selling price of TMQ remains competitive. As China remained in winter during 1QFY2010, heat from our generators were channeled to the production of higher profit-margin products such as accelerators and insoluble sulphur. This reduced the production volume of TMQ available for sales.

Due to the improved global economic situation, export sales increased substantially to 4,747 tons in 1QFY2010 against 2,508 tons in 1QFY2009 when some US and European car manufacturing companies were undergoing restructuring. The sales to domestic market remained healthy.

Gross profit increased by 115% from RMB 22.3 million in 1QFY2009 to RMB 48.0 million in 1QFY2010, in line with the increase in revenue. Gross profit margins (GPM) improved from 16.6% in 1QFY2009 to 23.7% in 1QFY2010 as demand for our products increased resulting in the increase in our ASP relative to average increase in cost of sales.

Other operating income was RMB 2.2 million in 1QFY2010, consisting of mainly investment income and sales of scrap materials.

Selling and distribution expenses, which increased by 12% from RMB 6.0 million in 1QFY2009 to RMB 6.7 million in 1QFY2010, were in line with the increase in revenue.

Administrative expenses increased by 5% from RMB 7.8 million in 1QFY2009 to RMB 8.2 million in 1QFY2010, as more expenditure were spent on staff welfare and corporate branding while such expenditure were reduced in 1QFY2009 due to the global economic crisis.

Other operating expenses amounting to RMB 0.4 million in 1QFY2010 was the realised transactional exchange loss as Chinese Yuan appreciated against the US dollar.

Profit before tax (PBT) improved by 178% from RMB 12.3 million in 1QFY2009 to RMB 34.2 million in 1QFY2010 due to above factors. Thus **Net profit attributable to shareholders** improved substantially by 171% from RMB 10.9 million in 1Q2009 to RMB 30.4 million in 1QFY2010.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Our international sales appear to have stabilized as our quarterly export volume has maintained at about 4500 tons since 4QFY2009. Given the strong automobile sales in China, the domestic market remains resilient. In view of this, the Group expects demand for our accelerators and insoluble sulphur to remain healthy. Selling prices could trend upward in line with the price increase of raw materials.

There has been pressure by the local government in China to revalue the RMB upwards. This would inevitably make our products more expensive in the export market. However, we believe any RMB appreciation will be gradual and with our ability to deliver quality products, export customers will continue to find value in us.

With the completion of the 7000-ton MBTS and 8000-ton insoluble sulphur plants in 2009, the Group will continue to boost its efficiency to increase its supply and thus sales volume. As stated in FY2009 results announcement dated 25 Feb 2010, the construction of the 15,000-ton 6PPD as well as R&D centre and office facilities at Facility 2 are progressing as scheduled. In addition to these on-going projects, the Group has recently announced the purchase of a 280 mu land at Weifang Binhai Economic Zone, Shandong Province. This site can potentially accommodate production lines and ancillary facilities producing 50,000 tons of accelerators per year. In Phase 1, the Group will build a 15,000-ton plant of MBT accelerator, an intermediary material for other accelerator products. Together with the cost of land, Phase 1 is budgeted at RMB 100 million. This investment will be funded by internal resources, bank financing and/or strategic investors. Phase 1 is expected to be completed in 1QFY2011.

Barring unforeseen circumstances, the Group expects to continue its profitability for FY2010.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

S\$0.01 per ordinary share was declared in 1Q2009.

(c) Date payable

Not applicable

(d) Books closure date

Not applicable

(e) Last cum-dividend Trading Date

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. Interested Person Transactions

None

BY ORDER OF THE BOARD

**Xu Cheng Qiu
Executive Chairman**

29 April 2010

[End of Report]

Confirmation by the Board pursuant to Rule 705(4) of the SGX Listing Manual

On behalf of the Board of Directors of the Company, we confirm, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited first quarter financial results for the period ended 31 March 2010 to be false or misleading in any material respect.

On behalf of the Board of Directors

Xu Cheng Qiu
Executive Chairman

Liu Jing Fu
Executive Director



China Sunsine Chemical Holdings Ltd.

112 Robinson Road #12-04 Singapore 068902

Tel: (65) 6220-9070 Web: www.ChinaSunsine.com

Company Registration No.: 200609470N

PRESS RELEASE

China Sunsine Chemical posts strong 1QFY2010 results

Net profit up by 179%

- **1QFY2010 net profit rises 179% to RMB30.4m on 51% increase in revenue to RMB202.7m as compared to 1QFY2009**
- **Sales volume in 1QFY2010 up 26% to 11,214 tons as compared to 1QFY2009**
- **Strong cash position with cash and notes of RMB196.6 million**
- **Phase 1 of new Facility 3 at Weifang Binhai Economic Zone budgeted at RMB100m will complete in 1QFY2011**
- **Confident on its continuous profitability for FY2010**

SINGAPORE, 29 April 2010 - **China Sunsine Chemical Holdings Ltd** (“China Sunsine” or the “Group”), a specialty rubber chemicals producers and global leader in the production and supply of rubber accelerators, is benefitting from the strong economic recovery this year by posting a robust first quarter financial results.

Financial Highlights

RMB' million	1QFY2010	1QFY2009	Change
Group Revenue	202.7	134.1	51%
Gross Profit	48.0	22.3	115%
Gross Profit Margin	23.7%	16.6%	+7.1 pts
Profit before tax	34.2	12.3	178%
Net profit	30.4	10.9	179%
EPS (RMB cents)	6.37*	2.25	183%

* equivalent to 1.31 SGD cents at exchange rate of 4.8567



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For the three months ended 31 March 2010, net profit rose sharply by 179% to RMB30.4 million from RMB10.9 million in 1QFY2009, translating into earnings per share of RMB6.37 cents compared with RMB2.25 cents in 1QFY2009.

Revenue during the quarter rose 51% to RMB202.7 million as compared to RMB134.1 million in 1QFY2009 due to higher sales volume which improved 26% to 11,214 tons and higher average selling price for all products which increased to RMB18,100 in 1QFY2010. Besides the increase in demand, the higher ASP was partly due to increase in raw material price.

Commenting on the 1QFY2010 results, our executive chairman Mr Xu Cheng Qiu, said, *“The economic situation in the first quarter improved substantially against 1Q2009 which was the worst quarter last year as the economic crisis started in late 2008.”*

Analysis of Sales and Volume

	Sales Volume (Tons)		Sales (RMB' million)	
	1QFY2010	1QFY2009	1QFY2010	1QFY2009
Accelerators	10,108	7,930	189.3	125.2
Insoluble sulphur	836	534	9.0	4.6
Anti-oxidant	91	348	1.2	2.9
Others	179	58	3.2	1.4
Total	11,214	8,870	202.7	134.1
Domestic Sales	6,467	6,362	110.4	89.4
International sales	4,747	2,508	92.3	44.7

Sales volume across all categories increased except for anti-oxidant, TMQ. The selling price of TMQ remains highly competitive, noted Mr Xu. Besides, as China remained in winter during 1QFY2010, heat from our generators were channeled to the production of higher profit-margin accelerators and insoluble sulphur. This reduced the production of TMQ available for sales, explained Mr Xu. However, we have already started TMQ



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production and its sales will improve in the next quarter as higher quality customers will find value in our products.

Again due to the improved global economic situation, export sales during this quarter increased substantially to 4,747 tons against 2,508 tons in 1QFY2009 when some of the US and European car manufacturing companies were undergoing restructuring. Domestic sales, on the other hand, remained healthy at 6,467 tons albeit slowed down by the Chinese New Year period in February.

The Group's financial position remains strong. Its net cash and notes amounted to RMB196.6 million with net tangible assets per share of RMB 131.93 cents vs RMB125.56 cents as at 4QFY2009.

Moving ahead into the year, Mr Xu says the Group expects to continue its profitability for FY2010 based on his two observations.

“Our international sales appear to have stabilized as the quarterly export volume has maintained at above 4,500 tons since 4QFY2009. And in China, continuing with its strong growth in FY2009, analysts expect the domestic automobile market to hit another record year with more than 15 million vehicles sales”, noted Mr Xu.

Operationally, Mr Xu expects the Group to continue to boost its efficiency to increase its supply and thus sales with the completion of its 7,000 tons MBTS and 8,000 ton insoluble sulphur in 2009. At the same time, the construction of 15,000-ton 6PPD as well as R&D centre and office facilities at Facility 2 are progressing as scheduled.

The Group has also just announced a RMB100 million expansion plan involving the purchase of a 280 mu land at Weifang Binhai Economic Zone in Shandong Province. This site is able to accommodate production lines of at least 50,000 tons of accelerators per year. Under Phase 1, it will build a facility for 15,000-ton of MBT accelerator, an



China Sunsine Chemical Holdings Ltd.

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

Company Registration No.: 200609470N

intermediary material for other accelerator products. Phase 1 is expected to complete in 1QFY2011.

“Our expansion plans are undergoing very well. We believe our key competencies of high quality and reputable brand name will benefit us.” added Mr Xu.

-End-

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”.

For more information, please contact:

Dave Yak, CFO, daveyak@ChinaSunsine.com
Jennie Liu, IR Manager, jennie@ChinaSunsine.com
Tel: (65) 6220 9070
Fax : (65) 6223 9177