



China Sunsine Chemical Holdings Ltd.

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Company Registration No.: 200609470N

INCREASE IN REGISTERED AND PAID-UP CAPITAL OF SHANDONG SHANXIAN CHEMICAL CO., LTD

The Board of Directors of China Sunsine Chemical Holdings Ltd. (“the **Company**”) wishes to announce that the Company has increased the registered capital of its wholly-owned subsidiary, Shandong Shanxian Chemical Co., Ltd, from RMB 250.55 million to RMB 350.0 million by capitalising its revenue and common reserves (“**Additional Investment**”).

The Additional Investment does not have any material effect on the net tangible assets and earnings per share of the Company for FY2008. None of the directors nor substantial shareholders of the Company has any interest, direct or indirect, in the above transaction.

By Order of the Board

Mr Xu Cheng Qiu
Executive Chairman
7 January 2009

The initial public offering of the Company's shares was sponsored by CIMB-GK Securities Pte. Ltd..