

China Sunsine Chemical Holdings Ltd.

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Company Registration No.: 200609470N

POSITIVE PROFIT ALERT

The Board of Directors (the "Board") of China Sunsine Chemical Holdings Ltd. (the "Company", and together with its subsidiaries collectively, the "Group") wishes to inform shareholders and potential investors of the Company that, based on the preliminary assessment of the information currently available to the Board, including the unaudited financial statements for the 3rd quarter ended 30 September 2018 ("3Q2018"), the Group is expected to report a material increase in consolidated net profit, compared to the corresponding period from 1 July 2017 to 30 September 2017("3Q2017").

The expected profit growth is mainly due to the increase in both average selling price ("ASP") and sales volume of the Group's products. As disclosed in several of our prior results announcements, the Chinese government has been placing more emphasis on environmental protection, and more frequent environmental protection inspections were conducted. Some players in the rubber chemicals industry which failed to meet the relevant environmental regulations were forced to suspend their productions. This had resulted in the short supply in the market, which allowed us to charge a higher quarterly selling price to our big customers, resulting in higher revenue and gross profits generated in 3Q2018 compared to 3Q2017.

The above information is based on the preliminary assessment made by the Board. The Company is in the process of finalising its unaudited consolidated results for the reporting period, and the results announcement for 3Q2018 will be released on 5 November 2018.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

BY ORDER OF THE BOARD

Xu Chengqiu Executive Chairman 26 October 2018