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CHINA SANJIANG FINE CHEMICALS COMPANY LIMITED

中國三江精細化工有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 2198)

CHANGE OF PAYMENT DATE OF INTERIM DIVIDEND

Reference is made to the announcements of China Sanjiang Fine Chemicals Company Limited (the “Company”) dated 19 August 2011 (“Interim Results Announcement”) regarding the interim results of the Company and its subsidiaries for the six months period ended 30 June 2011. Capitalised terms used herein shall have the same meaning as those defined in the Interim Results Announcement, unless the context otherwise requires.

As set out in the Interim Results Announcement, the Interim Dividend is originally expected to be distributed on or about 3 October 2011. The Board would like to announce that the payment date of the Interim Dividend (i.e. the despatch date of the dividend warrants to the shareholders whose names appeared on the register of members of the Company at the close of business on 23 September 2011) will be changed to on or before Monday, 31 October 2011.

The Company entered into a financial arrangement with a bank (the “Bank”), which is regarded as one of the “Big Four” state-owned commercial bank in PRC, during September 2011 (the “Financial Arrangement”). Pursuant to the Financial Arrangement, the Group is required to place an amount denominated in RMB as pledged deposit (the “Pledged Deposit”) into one of the Bank’s branches in PRC for a period of approximately one year and the Bank’s branch in Hong Kong is required to lend to the Group a loan denominated in USD (the “USD Loan”) with the amount equivalent to the Pledged Deposit after taking into account the expected foreign exchange fluctuation of RMB against USD for a period of approximately one year (the “Loan Period”). The Board is of the opinion that entering into the Financial Arrangement has no impact on the gearing and liquidity of the Group as the loan under the Financial Arrangement is in substance financed by the Group itself while by entering into the Financial Arrangement, the Group is benefited from the potential appreciation of RMB against USD during the Loan Period. The Group has placed an amount of approximately RMB48 million as Pledged Deposit according to the instruction of the Bank during September 2011 with the expectation to receive the USD Loan in early October 2011 for the purpose of interim dividend payment. However, the Company was advised by the Bank on 3 October 2011 that the

application/drawdown procedure of the USD Loan will take longer than what was originally agreed by the Bank, which is beyond the Board's control and expectation. The Board is now carrying out all necessary measures to resolve the issue and the Board would like to announce that the payment date of the Interim Dividend will be changed to on or before Monday, 31 October 2011.

By order of the Board
China Sanjiang Fine Chemicals Company Limited
GUAN Jianzhong
Chairman and Executive Director

People's Republic of China, 4 October 2011

As at the date of this announcement, the Board comprises four executive Directors: Mr. GUAN Jianzhong, Ms. HAN Jianhong, Mr. NIU Yingshan, Mr. HAN Jianping and three independent non-executive Directors: Mr. WANG Wanxu, Mr. SHEN Kaijun and Mr. MUI Ho Cheung, Gary.