SUSPENSION OF PRODUCTION LINES OF 2-A2MPS

The board of directors (the “Board”) of Changtian Plastic & Chemical Limited (the “Company”) and, together with its subsidiaries, the “Group”) wishes to announce that the Group has decided to suspend production of 2-Acrylamido 2-Methyl Propane Sulfonic acid (“2-A2MPS”) by its wholly-owned subsidiary, Xiamen Changtian Enterprise Co., Ltd (the “Subsidiary”) with immediate effect.

In view of the continuing financial losses of 2-A2MPS and the slow-down in global economies and intense market competition in the People’s Republic of China, the Group has suspended the production of 2-A2MPS by its Subsidiary so that the Group may control the losses and realign its resources for better use.

Following the suspension of the production of 2-A2MPS, the Group will continue with the manufacturing of Adhesive tapes, Release papers and UV cured release film by its Subsidiary.

Notwithstanding the impairment loss made to the property, plant and equipment for 2-A2MPS in the third quarter of the financial year for 2013, the above is not expected to have any material impact on the net tangible assets or earnings per share of the Company for the financial year ending 31 December 2013.

None of the Directors or substantial shareholders of the Company has any direct or indirect interest in the above matter.

BY ORDER OF THE BOARD

YANG QINGJIN
EXECUTIVE CHAIRMAN

27 November 2013