



## China SunSine Chemical Holdings Ltd.

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Company Registration No.: 200609470N

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### DISCLOSURE PURSUANT TO RULE 704(31) AND RULE 728 OF THE LISTING MANUAL

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Pursuant to the new Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Board of Directors (the “**Board**”) of China SunSine Chemical Holdings Ltd. (the “**Company**”) wishes to announce that its wholly-owned subsidiary, Shandong SunSine Chemical Co., Ltd, has entered into loan agreements (collectively, the “**Loan Agreements**”) with various banks in China for purposes of its working capital requirements. The Loan Agreements contain clauses which make references to the shareholding interest of its controlling shareholders, or place restrictions on a change of control of the Company (“**Conditions**”).

A description of the relevant Conditions is set out in the Appendix to this announcement.

The aggregate level of the facilities that may be affected by a breach of such Conditions is set out below:

Lending Bank	Loan Amount (RMB' million)	Loan Outstanding (RMB' million)	Due Date
Agricultural Bank of China	50	50	24 Apr 2013
	30	30	6 Nov 2012
	30	27	7 Aug 2012
Industrial and Commercial Bank of China	20	20	2 Jan 2013
	30	30	20 Jun 2012
China Construction Bank Corporation	30	30	22 Jun 2012
Aggregate Amount	190	187	

Any breach of the Conditions may cause a default and may trigger a cross default under the Loan Agreements. The aggregate level of the facilities that may be affected by such breach will be the outstanding aggregate loan amount of RMB 187 million as at 23 May 2012.

As at the date of this Announcement, there has been no breach of any of the Conditions.

In compliance with Rule 728 of the Listing Manual of the SGX-ST, the Company has procured an undertaking from its controlling shareholder, Success More Group Ltd, for it to notify the Company, as soon as it becomes aware, of any share pledging arrangements relating to the shares in the Company and any event which may result in a breach of the Conditions.

#### BY ORDER OF THE BOARD

Xu Chengjiu  
Executive Chairman

24 May 2012

APPENDIX

Lending Bank	Relevant Conditions
Agricultural Bank of China	The Borrower shall notify the Lender in advance in writing, and obtain the prior consent of the Lender before carrying out any of the following: entering into any contract or lease, reconstruction of shareholding, amalgamation, merger, consolidation, division, acquisition, reduction of registered capital, entering into joint ventures, transfer of substantial assets, material overseas investment, issuance of debt securities, major fund raising, entering into material related party transactions, application for suspension of business for reorganisation, application for dissolution or insolvency. The Lender may participate in any of the above.
Industrial and Commercial Bank of China	The Borrower shall obtain the prior written consent of the Lender or make such arrangements in respect of its outstanding liabilities to the satisfaction of the Lender before carrying out the following: merger, division, reduction of registered capital, change of shareholding, transfer of substantial assets and assignment of debt or liabilities, material overseas investment, substantial increase in debt financing and other acts which may adversely affect the rights of the Lender.
China Construction Bank Corporation	Lender considers that the occurrence of any of the following may threaten the Lender's security: Borrower entering into any contract, trustee relationship or lease, reconstruction of shareholding, reduction of registered capital, investment, amalgamation, merger, consolidation, acquisition and reorganisation, division, entering into joint ventures, transfer of equity interest, substantial increase in debt financing, suspension of business for reorganisation, application for dissolution, compulsory de-registration, compulsory application for insolvency, change of controlling shareholder or actual controller or substantial transfer of assets, production halt, closure of business, high penalty imposed by authorities, cancellation of registration, suspension of business licence, involvement in material legal dispute, major difficulty in production and operation or worsening of financial position, downgrading of credit standing, failure to perform duties by legal representative or main person in charge.