



China SunSine Chemical Holdings Ltd.

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Company Registration No.: 200609470N

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

All capitalized terms used herein but not defined have the same meaning ascribed to it in the announcement made by China SunSine Chemical Holdings Ltd. (the “**Company**”) on 24 May 2012 (“**24 May Announcement**”).

Further to the 24 May Announcement, the Board of Directors (the “**Board**”) of the Company wishes to announce that pursuant to the new Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), its wholly-owned subsidiary, Shandong SunSine Chemical Co., Ltd (“**Subsidiary**”), has entered into a new loan agreement with China Construction Bank Corporation on 8 June 2012 for purposes of its working capital requirements. The quantum of the loan is RMB 20 million, repayable by 7 June 2013. The aforesaid loan agreement contains the following clause which places restrictions on a change of control of the Company (the “**Condition**”):

“The Borrower shall obtain prior written consent from the Lender before carrying out any of the following: merger, division, equity transfer, overseas investment and material increase in issuance of debt securities, and other important events, provided that the Lender’s written consent shall not prejudice the Lender’s right to take remedial actions provided for in the loan agreement should the Lender considers that the aforesaid may materially threaten the Lender’s debt security in the future.”

The aggregate level of the facilities granted to the Subsidiary, including the facilities as disclosed in the 24 May Announcement, 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
China Construction Bank Corporation	20	20	7 Jun 2013
Aggregate Amount	210	207	

Any breach of the Conditions set out above or in the 24 May Announcement 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 207 million as at 13 June 2012.

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 Chengqiu
Executive Chairman
13 June 2012