



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, 13 Jun 2012 and 5 July 2012 (“**Past Announcements**”).

Further to the Past Announcements, 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 (“**CCB**”) on 6 July 2012 for purposes of repaying its existing RMB 30 million loan from CCB. The quantum of the new loan is RMB 30 million, repayable by 19 June 2013 (“**New Loan**”). The aforesaid loan agreement contains the following clause which places restrictions on a change of control of the Company (the “**Condition**”):

“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.”

As at 6 July 2012, the aggregate level of the facilities, and the outstanding loan amounts are set out below:

Lending Bank	Loan Amount (RMB’ million)	Loan Outstanding (RMB’ million)	Due Date
Agricultural Bank of China	30	27	7 Aug 2012
	30	30	6 Nov 2012
	50	50	24 Apr 2013
Industrial and Commercial Bank of China	50	50	22 Dec 2012
	20	20	1 Feb 2013
China Construction Bank Corporation	20	20	7 Jun 2013
	30 (New Loan)	30	19 Jun 2013
Aggregate Amount	230	227	

Any breach of the Conditions set out above or in the Past Announcements 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 227 million as at 6 July 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

6 July 2012