



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, 5 July 2012, 6 July 2012 and 1 August 2012 (“**Past Announcements**”).

Further to the Past Announcements, the Board of Directors (the “**Board**”) of the Company wishes to announce that pursuant to 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 Agricultural Bank of China (“**ABC**”) on 22 August 2012 for purposes of its working capital requirements. The aforesaid loan agreement contains the following clause which places restrictions on a change of control of the Company (the “**Condition**”):

“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.”

As at 23 August 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	30	6 Nov 2012
	50	50	24 Apr 2013
	20	20	30 Jul 2013
	20 (New Loan)	20	21 Aug 2013
Industrial and Commercial Bank of China	50	50	22 Dec 2012
China Construction Bank Corporation	20	20	7 Jun 2013
	30	30	19 Jun 2013
Aggregate Amount	220	220	

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 220 million as at 23 August 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

23 August 2012