



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 18 June 2013.

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 drawn down on a new loan agreement with Industrial and Commercial Bank of China on 20 June 2013 (“**Loan Agreement**”) 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**”):

1. The Borrower shall notify the Lender at least 30 days in advance and obtain prior written consent from the Lender, or make such arrangements satisfactory to the Lender in respect of the realisation of the securities prior to carrying out any of the following: entering into contract or lease agreement, change of shareholding structure, amalgamation, merger, consolidation, entering into joint venture, division, reduction of capital, change of equity, transfer of substantial assets, transfer of creditor’s rights, and acts which may have an adverse impact on the Lender’s rights.
2. The Borrower shall promptly notify the Lender upon the occurrence of the following: (i) the change of Company’s Articles of Association, scope of business, registered capital, legal representative and equity interests; (ii) cessation of business, dissolution, liquidation, suspension of business for reorganisation, withdrawal of business licence, compulsory de-registration, compulsory application for insolvency; (iii) involvement in or potential involvement in material economic dispute, litigation, arbitration, or seizure of property or property under distraint or held in custody; and (iv) the Board members and existing senior management personnel of the Company being involved in material law suit or economic dispute.

As at 21 June 2013, 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 | 20 | 20 | 31 Jul 2013 |
| | 20 | 20 | 21 Aug 2013 |
| | 20 | 20 | 11 Sept 2013 |
| | 20 | 20 | 7 Nov 2013 |
| | 20 | 20 | 18 Nov 2013 |
| China Construction Bank Corporation | 30 | 30 | 1 Nov 2013 |
| | 20 | 20 | 24 May 2014 |
| | 30 | 30 | 16 June 2014 |
| Industrial and Commercial Bank of China | 30 (New Loan) | 30 | 14 Dec 2013 |
| Aggregate Amount | 210 | 210 | |

Any breach of the Condition or of the provisions of the other loan agreements in respect of the facilities set out above, may cause a default and may trigger a cross default under the Loan Agreement. The aggregate level of the facilities that may be affected by such breach will be the outstanding aggregate loan amount of RMB 210 million as at 21 June 2013.

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 Condition.

BY ORDER OF THE BOARD

Xu Chengqiu
Executive Chairman

21 June 2013