



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 3 December 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 entered into a new loan agreement with Rural Credit Cooperative of Shanxian on 11 March 2014 ("**Loan Agreement**") for purposes of its working capital requirements. The 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 at least 5 days in advance in writing, and obtain the prior consent of the Lender, or make such arrangements satisfactory to the Lender in respect of the settlement of loan before carrying out any of the following: entering into any contract or lease agreement, change of shareholding structure, entering into joint ventures, amalgamation, merger, consolidation, division, transfer of assets or shareholdings, application for suspension of business for reorganisation, application for dissolution or insolvency, and other acts which may lead to a change of the creditor-debtor relationship under the Loan Agreement, or may have an adverse impact on the Lender's rights."

The Loan Agreement is secured by a personal guarantee from Mr Xu Chengqiu, the Company's Executive Chairman.

As at 12 March 2014, the aggregate level of the facilities, and the outstanding loan amounts are set out below:

Lending Bank	Facilities Amount (RMB' million)	Loan Outstanding (RMB' million)	Due Date
Agricultural Bank of China	20	20	21 July 2014
	20	20	10 Oct 2014
	20	20	1 Dec 2014
China Construction Bank Corporation	20	20	24 May 2014
	30	30	16 June 2014
	20	20	21 Sep 2014
	30	30	1 Dec 2014
Laishang Bank	20	20	24 Oct 2014
Rural Credit Cooperative of Shanxian	50 (new loan)	30	10 Mar 2017
Aggregate Amount	230	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 12 March 2014.

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
12 March 2014