



China Sunsine Chemical Holdings Ltd.

112 Robinson Road #12-04 Singapore 068902
Tel: (65) 6220-9070 Web: www.ChinaSunsine.com

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 17 November 2012.

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 on 19 November 2012 (“**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**”):

“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 20 November 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 | 20 | 20 | 30 Jul 2013 |
| | 20 | 20 | 21 Aug 2013 |
| | 20 | 20 | 11 Sept 2013 |
| | 20 | 20 | 7 Nov 2013 |
| | 20 (New Loan) | 20 | 18 Nov 2013 |
| Industrial and Commercial Bank of China | 50 | 50 | 22 Dec 2012 |
| China Construction Bank Corporation | 20 | 20 | 7 Jun 2013 |
| | 30 | 30 | 1 Nov 2013 |
| China Merchants Bank | 20 | 20 | 13 May 2013 |
| Aggregate Amount | 220 | 220 | |

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 220 million as at 20 November 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 Condition.

BY ORDER OF THE BOARD

Xu Chengqiu
Executive Chairman

20 November 2012