



## China SunSine Chemical Holdings Ltd.

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Company Registration No.: 200609470N

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### DISCLOSURE PURSUANT TO RULE 704(31) AND RULE 728 OF THE LISTING MANUAL

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*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 June 2014.*

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, on 25 June 2014 and 26 June 2014, entered into two new loan agreements of RMB 18.9 million and RMB 30 million with Industrial and Commercial Bank of China (“**ICBC**”) and China Construction Bank Corporation (“**CCB**”), respectively (each a “**New Loan Agreement**” and collectively, the “**New Loan Agreements**”), for purposes of its working capital requirements.

The New Loan Agreements contain the following clauses which place restrictions on a change of control of the Company (“**Conditions**”):

#### New Loan Agreement with ICBC

1. The Borrower shall notify the Lender in advance and obtain prior written consent from the Lender, or make such arrangements satisfactory to the Lender in respect of the realization of the securities prior to carrying out any of the following: amalgamation, division, reduction of share capital, change of shareholding structure, transfer of substantial assets, transfer of creditor’s rights, major overseas investment, material increase of debt financing and other 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 and legal representative; (ii) cessation of business, dissolution, liquidation, suspension of business for reorganization, 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.

#### New Loan Agreement with CCB

“The Lender shall terminate the Loan Agreement or require the Borrower to fully repay the loan outstanding together with any interest and/or expenses, should the Borrower carry out any of the following: entering into contract or lease agreement, under judicial management, change of shareholding structure, reduction of share capital, making investments, amalgamation, merger, consolidation, acquisition and reconstruction, division, entering into joint ventures, share transfer, increasing debts significantly, being forced to apply for suspension of business for reorganisation, forced de-registration, application for dissolution or insolvency, change of controlling shareholder/actual controller or transfer of material assets, cessation of production, closure of business, imposition of high penalty by relevant authorities, being struck off, suspension of business licence, involving in material legal disputes, adverse difficulty in production and operation or worsening of financial situation, decrease in credit rating, and failure of legal representative or principal person in charge to perform his duties and responsibilities, which the Lender considers may jeopardize the security interest of the Lender.”

As at 27 June 2014, the aggregate level of the facilities, and the outstanding loan amounts are set out below:

<b>Lending Bank</b>	<b>Loan Facilities Amount (RMB' million)</b>	<b>Loan Outstanding (RMB' million)</b>	<b>Due Date</b>
Agricultural Bank of China	20.0	20.0	21 Jul 2014
	20.0	20.0	10 Oct 2014
	20.0	20.0	1 Dec 2014
	20.0	20.0	9 Jun 2015
China Construction Bank Corporation	20.0	20.0	21 Sep 2014
	30.0	30.0	1 Dec 2014
	30.0	30.0	15 Sep 2014
	20.0	20.0	3 May 2015
	30.0 (New Loan)	30.0	25 Jun 2015
Laishang Bank	20.0	20.0	24 Oct 2014
	20.0	20.0	12 Mar 2015
Industrial and Commercial Bank of China	18.9 (New Loan)	18.9	24 Dec 2014
Rural Credit Cooperative of Shandong	50.0	30.0	10 Mar 2017
<b>Aggregate Amount</b>	<b>318.9</b>	<b>298.9</b>	

Any breach of the Conditions 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 298.9 million as at 27 June 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  
27 June 2014