



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 28 January 2015.

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**” or “**Shandong SunSine**”), has entered into a new loan agreement with China Construction Bank Corporation, Seoul Branch (“**CCB Seoul**”), as well as a tripartite agreement with CCB Seoul and China Construction Bank Corporation, Shandong Branch (“**CCB Shandong**”), both dated 27 February 2015 (collectively, the “**Loan Agreements**”), pursuant to which CCB Seoul shall utilize the credit limit granted by CCB Shandong to the Subsidiary, to make available to the Subsidiary a loan in the sum of USD 20 million (equivalent to RMB 123 million at the exchange rate of USD1 = RMB6.14) (the “**New Loan**”). The New Loan bears an annual interest rate which is lower than the interest payable on the existing loans granted by banks within China (“**Existing Loans**”). The Subsidiary intends to use the New Loan to replace part of the Existing Loans in order to lower its cost of financing. The Loan Agreements contain the following clauses which make reference to shareholding interests of any controlling shareholder in the Company, or place restrictions on a change of control of the Company (the “**Conditions**”):

“CCB Shandong undertakes that should there be any changes in Shandong SunSine’s substantial shareholder, actual controlling owner and/or major management personnel during the loan period, CCB Shandong shall within 30 business days upon receipt of written notice from CCB Seoul, deduct Shandong SunSine’s credit limit with CCB Shandong, issue a loan undertaking letter, or issue a guarantee letter in favour of CCB Seoul, to guarantee that Shandong SunSine is able to repay the loan principal, interests and other payable charges.”

“The Lender shall terminate the loan agreement and require the Borrower to fully repay the loan outstanding together with any interest and/or expenses, upon occurrence of any of the following: the Borrower becomes insolvent due to financial reasons or is unable to repay its matured debts, the Borrower or any third party apply for insolvency, under re-organisation, forced reconciliation, liquidation or other similar proceedings which may deduct or adjust the Borrower’s debts, or the Borrower loses its control and management rights (including but not limited to control and management rights being undertaken by the Lender), or the Borrower no longer exists.”

As at 3 March 2015, the aggregate level of the facilities, and the outstanding loan amounts are set out below:

Lending Bank	Loan Facilities Amount (RMB’ million)	Loan Outstanding (RMB’ million)	Due Date
Agricultural Bank of China	20.0	20.0	9 Jun 2015
	20.0	20.0	9 Jun 2015
	20.0	20.0	8 Jul 2015
	20.0	20.0	9 Jan 2016
China Construction Bank Corporation	20.0	20.0	3 May 2015
	30.0	30.0	25 Jun 2015

	20.0	20.0	1 Sep 2015
	30.0	30.0	10 Mar 2015
	123.0 (equivalent to New Loan of USD 20 million from CCB Seoul)	123.0	26 Nov 2016
Laishang Bank	30.0	30.0	22 Jan 2016
Industrial and Commercial Bank of China	30.0	30.0	10 Mar 2015
Rural Credit Cooperative of Shandong	50.0	48.0	10 Mar 2017
Aggregate Amount	413.0	411.0	

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 Agreements. The aggregate level of the facilities that may be affected by such breach will be the outstanding aggregate loan amount of RMB 411.0 million as at 3 March 2015.

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 of any event which may result in a breach of the Conditions.

BY ORDER OF THE BOARD

Xu Chengqiu
Executive Chairman
3 March 2015