



CHANGE IN THE USE OF PROCEEDS FROM THE EXERCISE OF BONUS WARRANTS AND PIGGYBACK WARRANTS (THE “NEW EXERCISED SHARES PROCEEDS”)

Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in:

- (a) *the Company’s circular dated 28 October 2013, offer information statement dated 27 December 2013 in relation to, inter alia, the Proposed Warrants Issue (respectively, the “Circular” and the “Offer Information Statement”);*
- (b) *the Company’s unaudited full year financial results for the year ended 31 December 2013 dated 28 February 2014 in relation to, inter alia, the update on use of the New Exercised Shares Proceeds (the “FY2013 Results Announcement”); and*
- (c) *the Company’s announcements dated 20 March 2014, 27 March 2014 and 2 April 2014 in relation to the termination of the Shenton Way Contract (the “Termination Announcements”).*

The Board of Directors (the “**Board**”) of CCM Group Limited (“**CCM**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Circular, the Offer Information Statement, the FY2013 Results Announcement and the Termination Announcements, and wishes to update shareholders of the Company that it intends to reallocate an aggregate of S\$5.187 million of the New Exercised Shares Proceeds raised to date from the allocations for:

- (a) participation in the property development business and other investments and/or strategic alliance plans of CCM Property Pte. Ltd. (“**CCMP**”) as may be approved by the board of directors of CCMP;
- (b) investing in property-related quoted securities and unquoted instruments such as funds and bonds; and
- (c) general working capital purposes of CCMP

to fulfil the Company’s obligations in accordance with the Indemnity and as general working capital of the Company (the “**Second Reallocation**”). The Second Reallocation is intended by the Board to ensure that the Group’s construction business has adequate working capital for the next 12 months.

Following the Second Reallocation and the fulfilment of the Company’s obligations in accordance with the Indemnity, the Group’s utilisation of the New Exercised Shares Proceeds as at the date of this announcement (based on the New Exercised Shares Proceeds of approximately S\$11.044 million raised to date) is as follows:

Purpose	Percentage allocation as disclosed in the Circular	Amount of New Exercised Shares Proceeds allocated before the Second Reallocation (S\$'000)	Amount of New Exercised Shares Proceeds allocated as at the date of this announcement (after the Second Reallocation) (S\$'000)	Amount of New Exercised Shares Proceeds utilised as at the date of this announcement (after the Second Reallocation) (S\$'000)	Amount of New Exercised Shares Proceeds unutilised as at the date of this announcement (after the Second Reallocation) (S\$'000)
Participation in the Property Development Business and other investments and/or strategic alliance plans of CCMP as may be approved by the board of directors of CCMP	70%	2,274	-	-	-
Participation in real estate investment opportunities as may be approved by the Board and board of directors of CCMP	-	5,456	5,456	(5,456)	-
Satisfaction of Indemnity in relation to the termination of the Shenton Way Contract	-	-	4,734	(4,734)	-
Working capital of the Company	-	-	453	(453)	-
Investing in property-related quoted securities and unquoted instruments such as funds and bonds	20%	2,210	-	-	-
General working capital purposes of CCMP	10%	1,104	401	-	401
Total	100%	11,044	11,044	(10,643)	401

The Company will make further announcements when the remaining New Exercised Share Proceeds are materially disbursed and/or in the Company's financial results announcement(s).

BY ORDER OF THE BOARD

Chan Heng Fai
Executive Director

4 April 2014

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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