

CWG INTERNATIONAL LTD.

(Formerly known as Chiwayland International Limited)

Registration No. 200610437K

(Incorporated in Singapore)

INCORPORATION OF NEW SUBSIDIARIES, INTERNAL RESTRUCTURING OF SUBSIDIARIES AND DISPOSAL OF SUBSIDIARIES

The Board of Directors of CWG International Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce the following incorporation of new subsidiaries, internal restructuring of its subsidiaries and disposal of subsidiaries:

Incorporation of new subsidiaries

The Company’s subsidiary, Suzhou Shangcheng Real Estate Development Co., Ltd (“**Suzhou Shangcheng**”) has incorporated two (2) new wholly-owned subsidiaries in the People’s Republic of China (“**PRC**”) known as Suzhou Chiway Wanrong Real Estate Co., Ltd. (“**Suzhou Wanrong**”) and Suzhou Chiway Shangrong Real Estate Co., Ltd. (“**Suzhou Shangrong**”) respectively (collectively, the “**New Subsidiaries**”). The registered capital of the Suzhou Wanrong is RMB 10,000,000, and the registered capital of Suzhou Shangrong is RMB 10,000,000. The legal representative of each of the New Subsidiaries is Mr Qian Jianrong, and the first directors of each of the New Subsidiaries are Mr Qian Jianrong, Mr Tian Honglei, Mr Gong Ming, Mr Qiu Jiandong, and Ms Huang Yiping. The intended principal activities of the New Subsidiaries include property development and construction.

Change in shareholders of Wuxi Taihu and Zhangjiagang Wanhong

Following the incorporation of the New Subsidiaries, Suzhou Shangcheng has disposed of certain equity interests in each of Wuxi Taihu New City Chiway Real Estate Co., Ltd (“**Wuxi Taihu**”) and Zhangjiagang Chiway Wanhong Real Estate Co., Ltd (“**Zhangjiagang Wanhong**”) as follows (“**Internal Restructuring**”):

- (a) Suzhou Shangcheng has transferred 51% of the equity interests in Wuxi Taihu to Suzhou Shangrong, at a consideration of RMB 10,200,000.
- (b) Suzhou Shangcheng has transferred 51% of the equity interests in Zhangjiagang Wanhong to Suzhou Wanrong, at a consideration of RMB 25,500,000.

The relative figures under the bases set out in Rule 1006 of the Listing Rules of the Singapore Exchange Securities Trading Limited are less than 5% in respect of the Internal Restructuring.

Increase in registered capital of the New Subsidiaries

Upon completion of the Internal Restructuring, the registered capital of the New Subsidiaries has been increased as follows:

- (a) The registered capital of the Suzhou Wanrong has been increased from RMB 10,000,000 to RMB 25,500,000; and

- (b) The registered capital of Suzhou Shangrong has been increased from RMB 10,000,000 to RMB 10,200,000.

Disposal of the New Subsidiaries

Following the Internal Restructuring and the increase of registered capital of Suzhou Wanrong and Suzhou Shangrong, Suzhou Shangcheng has disposed of its entire equity interests in the New Subsidiaries to Hangzhou Industrial & Commercial Trust Co., Ltd ("**Hangzhou Trust**"), as follows ("**Disposal**"):

- (a) Suzhou Shangcheng has disposed of 100% of the equity interests in Suzhou Shangrong to Hangzhou Trust, at a consideration of RMB 10,200,000; and
- (b) Suzhou Shangcheng has disposed of 100% of the equity interests in Suzhou Wanrong to Hangzhou Trust, at a consideration of RMB 25,500,000.

The consideration for the Disposal was arrived on a willing-buyer-willing-seller basis, based on the registered capital of the shares of Suzhou Shangrong and Suzhou Wanrong. The net asset value attributable to Suzhou Shangrong and Suzhou Wanrong as at their respective dates of incorporation, adjusted for the acquisition of Wuxi Taihu and Zhangjiagang Wanhong respectively, are RMB 10,141,057.60 and RMB 25,325,464.75 respectively.

The relative figures under the bases set out in Rule 1006 of the Listing Rules of the Singapore Exchange Securities Trading Limited are less than 5% in respect of the Disposal.

Subsequent to the Disposal, Hangzhou Trust will be extending a shareholder's loan to Suzhou Shangrong of RMB 99,800,000, and a shareholders' loan to Suzhou Wanrong of RMB 364,500,000. To secure the shareholders' loan to be extended by Hangzhou Trust, the remaining 44% equity interests in each of Wuxi Taihu and Zhangjiagang Wanhong, held by Suzhou Shangcheng, and the 5% equity interests in each of Wuxi Taihu and Zhangjiagang Wanhong, held by Gong Ming, will be pledged to Hangzhou Trust.

The abovementioned transactions are not expected to have any material impact on the earnings per share or net tangible asset of the Group for the year ending 31 December 2017.

None of the Directors or controlling shareholders of the Company (other than in their capacity as Director or shareholders of the Company) has any interest, direct or indirect, in the abovementioned transactions.

By Orders of the Board of
CWG INTERNATIONAL LTD.

QIAN JIANRONG
Executive Chairman and Chief Executive Officer
23 January 2017