



UPDATE ON BANKING FACILITY

1. The Board of Directors (the “**Board**”) of CCM Group Limited (“**CCM**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that on 26 March 2014, the overdraft facility for the amount of S\$1.8 million for its wholly-owned subsidiary, CCM Industrial Pte Ltd was withdrawn by United Overseas Bank (“**UOB**”).
2. The Board further updates that a subsidiary of the Group had breached a covenant for not maintaining a minimum net worth of S\$3 million for the financial year ended 31 December 2013. The Group is negotiating with the bank to restructure the outstanding debts owing of approximately S\$630,000 to the bank.
3. The Board is considering various options, including but not limited to, the obtaining of additional facilities from other financial institutions. In the meantime, the Group intends to finance its existing projects using internal resources until alternative financing facilities are obtained.
4. The Company will make further announcements as and when there are material developments on this matter.

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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