

CCM Group Seals Five of Seven Land Parcels In Texas; 60%-Owned U.S. Partnership Receives US\$28.5 Million Worth Of Letters Of Intent For Over Half Available Sub-Divided Lots

SINGAPORE, 8 April 2014 – CCM Group Limited (“**CCM**” or the “**Company**”) announced today that it has completed the acquisition of five out of the seven parcels in a 136-acre development in Texas (the “**Land**”) and has received pre-sale letters of intent from U.S. developers to buy 285 lots – worth approximately US\$28.5 million – out of the total 545 lots.

SGX Catalist-listed CCM had announced on 12 February 2014 that its wholly owned property development and investment subsidiary CCM Property Pte. Ltd. (“**CCMP**”) had invested US\$4.3 million (S\$5.5 million) for a 60%-stake in a limited partnership (“**Partnership Vehicle**”) in Texas that is buying the land parcels in Houston.

The Company is confident of securing the remaining two parcels of land – the smallest of the seven – before seeking bank financing for the entire project and commencing an engineering study to sub-divide the **Land** into 545 lots, subject to approval from local authorities.

The **Partnership Vehicle** will only lay down essential infrastructure for the lots, including road infrastructure and basic utility connections. In recent weeks, developers intending to build single-family homes on them have written to express interest to buy 285 of the lots priced at US\$100,000 each.

Each lot measures approximately 6,900 square feet, and the Land will be developed progressively. After completing the sale of the first 285 units, the **Partnership Vehicle** will assess market conditions with a view to raising prices for the remaining 260 lots.

CCMP’s US\$4.3 million investment in the **Partnership Vehicle** was funded by the proceeds from a warrants and exchangeable notes issue approved by shareholders on 20 November 2013 (“**FY2013 Fundraising**”). The combined proceeds, worth S\$41.0 million assuming full conversion of warrants eventually, are intended mostly for use for the Group’s diversification plans into property development here and overseas.

CCM expects infrastructure development of the 285 lots to complete by the last quarter of the financial year ending 31 December 2014 (“**Q42014**”), and will commence progressive-recognition of sales and profits on a percentage-of-completion basis from the second half of FY2014.

Mr. Joseph Liew, Chairman and CEO of CCM, said, “The overwhelming pre-sale interest for more than half the total number of plots underscores the appeal of the project in Houston, where there is job and economic recovery from growth of the energy sector. We will continue to explore opportunities to build upon CCM’s strategic diversification to U.S. property to enhance shareholder value.”

Apart from this project, the Company announced on 28 March 2014 that its wholly owned subsidiary, CCM Perth Pty. Ltd., had on 27 March 2014 lodged formal offers to conduct property development in Western Australia, to which the Company will provide further updates to shareholders as and when there are material developments.

End of Release

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

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About CCM Group Limited

Incorporated on 9 September 2009, CCM is principally engaged in building construction activities, specialising in main building works and general building works for residential and commercial buildings for the public and private sectors in Singapore. The Group's business can be categorised into three (3) main segments as follows:

- Main building works;
- General building works for residential and commercial buildings, such as additions and alteration, refurbishment, repairs and redecoration works for residential and commercial building and lift-upgrading programmes; and
- Leasing and installation for access equipment system, such as gondolas and mast climbing work platform, for the building and marine industries.

CCM's clients typically include property developers, land owners and governmental bodies.

In 2013 the Company announced that it was diversifying to property development and investment, focusing initially on the United States and Australia. The Company is raising up to S\$41.0 million from a warrants and exchangeable notes issue approved by. The proceeds will be used mostly for the Group's diversification plans into property development.

For more information, please visit: www.ccmgroup.sg

This press release 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 Company's Sponsor has not independently verified the contents of this press release.

This press release 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 press release.

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