

CHANGJIANG FERTILIZER HOLDINGS LIMITED

(Company Registration No.: 200713878D)

(Incorporated in the Republic of Singapore)

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- (A) **PROPOSED ACQUISITIONS OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF WBH INVESTMENTS PTE. LTD.; AND**
- (B) **PROPOSED ACQUISITION OF 100.0% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF CHIU TENG 8 PTE LTD**
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*Unless otherwise expressly defined herein, all capitalised terms in this announcement shall bear the same meanings ascribed to them in the announcements made by the Company on 12 April 2016, 13 April 2016, 15 April 2016, 25 April 2016, 13 June 2016, 26 September 2016, 9 October 2016, 12 October 2016, 3 May 2017 and 15 May 2017 in relation to the Proposed Transactions (the "**Announcements**").*

Further to the Announcements, the Board wishes to announce the following:

1. PROPOSED ACQUISITION OF THE REMAINING 50.0% OF CT8 AND AMENDMENTS TO THE CT8 ACQUISITION AGREEMENT AND WBH ACQUISITION AGREEMENT

The Company has entered into the following agreements:

- (a) a conditional sale and purchase agreement (the "**Second Tranche CT8 Acquisition Agreement**"), with Chiu Teng Enterprises Pte. Ltd. ("**CTE**", and together with CTE Resources, the "**CT8 Vendors**") to acquire 500,000 ordinary shares of CT8 (the "**Second Tranche CT8 Sale Shares**"), representing the remaining 50.0% of the issued and paid-up share capital of CT8 which was not the subject of the CT8 Acquisition Agreement (which the Company had entered into with CTE Resources) for a total consideration of S\$8,710,395.50 (the "**Second Tranche CT8 Consideration**") (the "**Second Tranche CT8 Acquisition**");
- (b) amendment letters to the CT8 Acquisition Agreement with CTE Resources for the amendment of certain terms of the CT8 Acquisition Agreement (collectively, the "**CT8 Supplemental Agreements**"); and
- (c) amendment letters with the WBH Vendors, for the amendment of certain terms of the WBH Acquisition Agreement, as previously amended by the WBH Supplemental Agreement (collectively, the "**WBH Supplemental Agreements**").

Following the completion of the CT8 Acquisition and the Second Tranche CT8 Acquisition, the Company will hold 100.0% of the issued and paid-up share capital of CT8. Shareholders should refer to the Announcements dated 12 April 2016 and 13 June 2016 for more information on CTE and CT8.

The term "**Proposed Acquisitions**" shall hereinafter refer collectively to the CT8 Acquisition, the Second Tranche CT8 Acquisition and the WBH Acquisition. If the Proposed Acquisitions proceed to completion, they will constitute a "Very Substantial Acquisition" or a "Reverse Takeover" as defined under Chapter 10 of the Listing Manual and will be subject to, amongst others, the approval of the Shareholders at an EGM to be convened.

2. KEY TERMS OF THE SECOND TRANCHE CT8 ACQUISITION AGREEMENT

2.1 Consideration

The Second Tranche CT8 Consideration shall be S\$8,710,395.50, being the sum agreed between the Company and CTE subject to adjustments based on the terms of the Second Tranche CT8 Acquisition Agreement.

The Second Tranche CT8 Consideration shall be satisfied as follows:

- (a) on completion of the Second Tranche CT8 Acquisition, S\$4,210,395.50 shall be satisfied through the allotment and issue of 842,079,100 new Shares to CTE or its nominee(s) (the "**Second Tranche CT8 Consideration Shares**") at the Issue Price of S\$0.005 per Second Tranche CT8 Consideration Share; and
- (b) on the date falling no later than 14 days after the completion of the Second CT8 Acquisition, or such other date as CTE and the Company may mutually agree in writing (the "**Second Tranche CT8 Deferred Consideration Date**"), S\$4,500,000 (or such sum as may be adjusted based on the terms of the Second Tranche CT8 Acquisition Agreement) shall be paid by telegraphic transfer to account(s) designated by CTE (and notified to the Company not later than five (5) Business Days prior to the Second Tranche Deferred Consideration Date) or a cashier's order or banker's draft drawn on a bank licensed in Singapore and made out in favour of CTE, or in such other manner as may be agreed between the Company and CTE in writing (the "**Second Tranche CT8 Deferred Consideration Amount**").

The Second Tranche CT8 Consideration was agreed on a willing-buyer and willing-seller basis after arm's length negotiations. The Second Tranche CT8 Consideration was arrived at and made on the bases set out below:

- (a) the net asset value of CT8 as reflected in its unaudited management accounts and audited financial statements as at 31 December 2016;
- (b) the business and affairs of CT8 (including the incurrence of expenses) shall be managed properly and efficiently in good faith and in a business-like manner and consistent with best practices of companies carrying on similar businesses or owning property of a similar nature; and
- (c) there are no material errors, misstatements, inaccuracies or inconsistencies in the audited accounts for the financial year ended 31 December 2016 and/or management accounts for the period commencing on 1 January 2017 and ending on the last day of the calendar month immediately preceding the Completion Date as prepared by the management of CT8.

The Company will be commissioning an independent valuer to assess the fair market value of the Second Tranche CT8 Sale Shares in due course.

2.2 Conditions Precedent

Completion of the Second Tranche CT8 Acquisition shall be subject to the fulfilment or waiver of, amongst others, the following:

- (a) Shareholders' Approval: The approval of the Shareholders at an EGM for the following matters, and such approval not having been withdrawn or revoked and remaining in full force and effect as at the Completion Date:
 - (i) the Second Tranche CT8 Acquisition;
 - (ii) the allotment and issue of the Second Tranche CT8 Consideration Shares by the Company to CTE or its nominee(s);
 - (iii) the transactions contemplated under the WBH Acquisition Agreement and the CT8 Acquisition Agreement;
 - (iv) the disposal of PRC Assets, if any; and
 - (v) the proposed transfer of the Company from the Main Board to Catalyst (the **"Proposed Transfer"**);
- (b) Independent Shareholder Approval for Whitewash Resolution: The approval of the majority of the Independent Shareholders being obtained at an extraordinary general meeting of the Company for the Whitewash Resolution;
- (c) SIC Waiver: The grant by the SIC of a waiver (such waiver not having been withdrawn or revoked as at the Completion Date of the Second Tranche CT8 Acquisition Agreement) to the CT8 Vendors and/or the WBH Vendors and the respective parties acting in concert with the CT8 Vendors and/or the WBH Vendors, of their obligation to make a mandatory offer under Rule 14 of the Code for the shares in the Company not held by the CT8 Vendors and/or the WBH Vendors and their respective concert parties, and from having to comply with the requirements of Rule 14 of the Code upon Completion and the allotment and issue of the CT8 Consideration Shares to CTE Resources, Second Tranche CT8 Consideration Shares to CTE and the WBH Consideration Shares to the WBH Vendors or their respective nominees pursuant and subject to the terms and conditions of the CT8 Acquisition Agreement, the Second Tranche CT8 Acquisition Agreement, and the WBH Acquisition Agreement and if such waiver is subject to any condition or restriction imposed by the SIC, such condition and/or restriction being reasonably acceptable to the Company and CTE;
- (d) SGX-ST Approval: The approval of the SGX-ST for the Second Tranche CT8 Acquisition, the Proposed Transfer, the transactions contemplated under the WBH Acquisition Agreement and the CT8 Acquisition Agreement having been obtained where necessary and such approval not having been withdrawn or revoked and remaining in full force and effect as at the completion date of the Second CT8 Acquisition, and if such approval is subject to any condition or restriction imposed by the SGX-ST, such condition and/or restriction being reasonably acceptable to the Company and CTE;

- (e) SGX-ST Approval for Listing and Quotation: The approval of the SGX-ST and the issuance of a listing and quotation notice from the SGX-ST for the admission of the Second Tranche CT8 Consideration Shares and such number of new Shares to be allotted and issued (if any) pursuant to the Compliance Placement to the Official List of the SGX-ST, and the dealing and quotation of such shares on the Main Board or Catalist (as the case may be) upon the allotment and issue of such shares, and such approval not having been withdrawn or revoked and remaining in full force and effect, and if such approval is subject to any condition or restriction imposed by the SGX-ST, such condition and/or restriction being reasonably acceptable to the Company and CTE;
- (f) Governmental Approvals for the Company: The licences, authorisations, orders, grants, confirmations, permissions, registrations, waivers, exemptions and other approvals necessary or desirable for or in respect of the Second Tranche CT8 Acquisition, the allotment and issue of the Second Tranche CT8 Consideration Shares and Second Tranche CT8 Consideration Shares to CTE or its Nominee(s) and the transactions contemplated under the Second Tranche CT8 Acquisition Agreement, having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to the Company and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals continuing to remain in full force and effect up to and including the completion date of the Second Tranche CT8 Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the Company and CTE;
- (g) Governmental Approvals for CTE: The licences, authorisations, orders, grants, confirmations, permissions, registrations, waivers, exemptions and other approvals necessary or desirable for or in respect of the sale of the Second Tranche CT8 Sale Shares by CTE to the Company and the transactions contemplated under the Second Tranche CT8 Acquisition Agreement, having been obtained from the appropriate governments, governmental, supranational or trade agencies, courts or other regulatory bodies on terms reasonably satisfactory to CTE and such licences, authorisations, orders, grants, confirmations, permissions, registrations and other approvals continuing to remain in full force and effect up to and including the completion date of the Second Tranche CT8 Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the Company and CTE;
- (h) Change in Control Approval: where the terms of any agreement or arrangement to which CT8 is a party or is bound by and which is of material importance to the business, affairs, operations, assets, profits or financial condition of CT8 contain any restrictions or prohibition on the change in control of the shareholdings or the board of directors of the CT8 or include any right to terminate exercisable prior to or as a result of any matter contemplated by the Second Tranche CT8 Acquisition Agreement including but not limited to the sale and transfer of the Second Tranche CT8 Sale Shares from CTE to the Company), receipt by the Company of a written confirmation in a form and on terms (if any) satisfactory to the Company by the counterparts thereto, of the waiver of such restrictions or prohibition in relation to any such change arising from the transactions contemplated under the Second Tranche CT8 Acquisition Agreement or of any such right to terminate;

- (i) All Other Consents and Approvals: The Company and CTE having obtained all necessary bank consents and other necessary consents, approvals and waivers from all relevant third parties and/or authorities for the sale and transfer of the Second Tranche CT8 Sale Shares from CTE to the Company, the allotment and issue of the Second Tranche CT8 Consideration Shares to CTE or its Nominee(s) and the transactions contemplated under the Second Tranche CT8 Acquisition Agreement, and such consents, approvals and waivers not having been amended or revoked and remaining in full force and effect up to and including completion date of the Second Tranche CT8 Acquisition, and if such approval is subject to any condition or restriction, such condition and/or restriction being reasonably acceptable to the Company and CTE (as the case may be);
- (j) Irrevocable Undertakings: The receipt by CTE of the irrevocable undertakings from Equinox Investment Group Limited and/or any shareholder(s) of the Company, as may be determined by the Company in its sole discretion and notified to CTE in writing, to vote at the extraordinary general meeting in favour of the resolutions set out in paragraph 2.2(a) above;
- (k) Company's Due Diligence: The results of a due diligence exercise by the Company and/or its representatives over the business, affairs, operations, assets, financial condition, prospects and records of CT8 being reasonably satisfactory to the Company;
- (l) No Breach: The Second Tranche CT8 Acquisition, the allotment and issue of the Second Tranche CT8 Consideration Shares by the Company to CTE or its Nominee(s) and the transactions contemplated under the Second Tranche CT8 Acquisition Agreement not being prohibited by and not resulting in a breach of, any statute, order, rule, regulation, directive, guideline or request promulgated by, or any judgment or decree of, any legislative, executive, judicial or regulatory body or authority in Singapore or any other jurisdiction affecting the Company, CTE or CT8;
- (m) No Delisting: The Shares not having been delisted from the Main Board or Catalist (as the case may be);
- (n) No Material Adverse Change: There being no changes to the business, financial conditions or operations of Changjiang Group (save for the Disposal of PRC Assets) or CT8 since the date of the Second Tranche CT8 Acquisition Agreement that would in the reasonable opinion of the Company or CTE (as the case may be) be likely to have a material adverse effect;
- (o) Completion of the Proposed Disposal: The completion of the Disposal of PRC Assets on the terms and subject to the conditions of the Disposal Agreement by the parties to the Disposal Agreement;
- (p) WBH Acquisition Agreement: The WBH Acquisition Agreement having been entered into and coming into effect in accordance with its terms, the conditions precedent contained therein being satisfied or waived in accordance with its terms (except with respect to the unconditionality of the Second Tranche CT8 Acquisition Agreement) and such agreement not having been terminated in accordance with its terms;

- (q) Financial Assistance Whitewash: All necessary consents, approvals, waivers, solvency statements and resolutions for the provision of financial assistance within the meaning of Section 76 of the Companies Act in connection with the acquisition of the Second Tranche CT8 Sale Shares by the Company (the "**Financial Assistance**") having been obtained and all procedures and requirements of the Companies Act in relation to the Financial Assistance having been complied with; and
- (r) New Loan: (i) In respect of the mortgage loan to be obtained by CT8 and/or the Company, all necessary consents, approvals and waivers which have not been amended or revoked and having been obtained and remaining in full force and effect up to and including the completion date of the Second Tranche CT8 Acquisition Agreement, (ii) the necessary definitive agreements, deeds and/or instruments in respect of such loan having been entered into such that the loan shall be made available to CT8 and/or the Company (as the case may be) prior to or on the Second Tranche CT8 Deferred Consideration Date, and (iii) all necessary consents, approvals, undertakings, deeds and waivers having been obtained such that all of the monies advanced under the New Loan shall be made available to the Company by no later than the Second Tranche Deferred Consideration Date.

2.3 Other Terms

2.3.1 Status of the Second Tranche CT8 Consideration Shares

The Second Tranche CT8 Consideration Shares, when allotted and issued to CTE or its nominee(s), shall be free from encumbrances, credited as fully paid and shall rank *pari passu* in all respects with the existing Shares as at the date of the issuance of the Second Tranche CT8 Consideration Shares.

2.3.2 Issue Price

The Issue Price represents a discount of approximately 72.2% from the last transacted price of the Shares of S\$0.018 on the SGX-ST on 13 April 2015. The Issue Price is the same as the issue price of the CT8 Consideration Shares and the WBH Consideration Shares.

2.3.3 Moratorium

CTE has undertaken to comply, and procure that its associates shall comply, with any applicable moratorium requirements imposed by the SGX-ST (including, without limitation, such undertakings not to sell, transfer, dispose, realise, deal and/or create any encumbrance over the Shares held directly or indirectly by each of them for such periods as may be required by the Listing Rules or the Catalist Rules, as the case may be) unless such applicable moratorium requirements have been waived by the SGX-ST.

2.3.4 Long-Stop Date

If any of the condition precedent is not satisfied or waived by the Company and/or CTE (as the case may be) on or before 31 December 2017, the obligations of the Company and CTE under the Second Tranche CT8 Acquisition Agreement shall terminate, save for certain surviving clauses which relate to, amongst others, confidentiality and costs, and in that event, the Company and CTE shall be released and discharged from their respective obligations under the Second Tranche CT8 Acquisition Agreement and such release and discharge shall be without prejudice to the right of the Company or CTE to claim against one another for any antecedent breach of any obligations and liabilities under the Second Tranche CT8 Acquisition Agreement.

2.3.5 Date of Completion

The completion of the Second Tranche CT8 Acquisition shall take place on a date falling no later than 5 January 2018 or such other date as mutually agreed by the Company and CTE in writing.

3. TERMINATION OF COWEALTH ACQUISITION AGREEMENT

The Company has agreed with Affluence Resource to terminate the Cowealth Acquisition Agreement with immediate effect without the need for any further action on the part of either party and without prejudice only to the validity of any acts done by either party prior to the termination of the Cowealth Acquisition Agreement. Following the termination of the Cowealth Acquisition Agreement, neither party shall have any claims or rights whatsoever against the other party in respect of, arising out of or in connection with the Cowealth Acquisition Agreement.

4. THE CT8 SUPPLEMENTAL AGREEMENTS

As a result of the termination of the Cowealth Acquisition Agreement and the Company's entry into the Second Tranche CT8 Acquisition Agreement, the Company has agreed with CTE Resources to amend certain terms set out in the CT8 Acquisition Agreement. In particular, amendments were made such that:

- (a) the Long-Stop Date was extended to 31 December 2017. As such, the conditions precedent to the Proposed Acquisitions will need to be satisfied or otherwise waived on or before 31 December 2017, failing which the CT8 Acquisition Agreement shall terminate;
- (b) the CT8 Consideration was lowered from S\$9,674,288.00 to S\$8,710,395.50;
- (c) the CT8 Share Consideration Amount was lowered from S\$2,902,286.40 to S\$2,613,118.65;
- (d) the number of CT8 Consideration Shares to be issued was lowered from 580,457,280 to 522,623,730;
- (e) the CT8 Deferred Consideration Amount was lowered from S\$6,772,001.60 to S\$6,097,276.85;
- (f) the bases for the CT8 Consideration was amended for consistency with the Second Tranche CT8 Acquisition Agreement;
- (g) references and terms relating to the Cowealth Acquisition Agreement were removed; and
- (h) references and terms relating to the Second Tranche CT8 Acquisition Agreement were included to, amongst others, reflect that the completion of the CT8 Acquisition Agreement, the completion of the Second Tranche CT8 Acquisition Agreement and the completion of the WBH Acquisition are to be concurrent and inter-conditional upon the completion of each other.

5. THE WBH SUPPLEMENTAL AGREEMENTS

As a result of the termination of the Cowealth Acquisition Agreement and the Company's entry into the Second Tranche CT8 Acquisition Agreement, the Company has agreed with the WBH Vendors to amend certain terms set out in the WBH Acquisition Agreement. In particular, amendments were made such that:

- (a) the Long-Stop Date was extended to 31 December 2017. As such, the conditions precedent to the Proposed Acquisitions will need to be satisfied or otherwise waived on or before 31 December 2017, failing which the WBH Acquisition Agreement shall terminate;
- (b) the WBH Consideration was lowered from S\$13,844,400.00 to S\$7,047,806.03;
- (c) the WBH Share Consideration Amount was lowered from S\$4,845,540.00 to S\$2,466,732.11;
- (d) the number of WBH Consideration Shares to be issued was lowered from 969,108,000 to 493,346,422;
- (e) the WBH Deferred Consideration Amount was amended from S\$8,998,860.00 to S\$4,581,073.92;
- (f) the bases for the CT8 Consideration was amended to remove references to the outstanding loan (and all interest, fees and other amounts payable) owed by CT8 to UOB Bank Ltd. pursuant to the facility agreement(s) between CT8 and UOB Bank Ltd.;
- (g) references and terms relating to the Cowealth Acquisition Agreement were removed; and
- (h) references and terms relating to the Second Tranche CT8 Acquisition Agreement were included to, amongst others, reflect that the completion of the CT8 Acquisition Agreement, the completion of the Second Tranche CT8 Acquisition Agreement and the completion of the WBH Acquisition are to be concurrent and inter-conditional upon the completion of each other.

Notwithstanding the termination of the Cowealth Acquisition Agreement, under the terms of the WBH Acquisition Agreement, the WBH Vendors will be required to procure an undertaking and guarantee to the Company that the Company shall, for a period of three (3) years following completion of the Proposed Transactions, receive a minimum gross rental income of S\$6.00 psf/month for the aggregate net leasable area of the OCW1 Units amounting to 16,680 sqft, on such terms and conditions acceptable to the Company in its sole discretion.

6. RATIONALE FOR THE TRANSACTIONS

6.1 The Second Tranche CT8 Acquisition Agreement

For the reasons set out in paragraph 6 of the Announcement dated 13 June 2016 in relation to the CT8 Acquisition, the Board believes that the acquisition of CT8 is integral to the Company's push to transform into a real estate development company following the completion of the reverse takeover. The CT8 Acquisition would allow the Company to gain access to key management personnel who are experienced in the real estate and property development industry, and would enable the Company to propel its growth inorganically as it acquires a track record of a successfully completed development in Tagore 8. Critically, the CT8 Acquisition will allow the Company to amass funds for property development projects in the future as it

continues to sell down on the remaining Tagore 8 units. From the date of execution of the CT8 Acquisition Agreement on 13 June 2016 to 31 December 2016, 8 Tagore 8 units were sold. A further 4 Tagore 8 units have been sold since 31 December 2016. As at the date of this announcement, only 6 Tagore 8 units remaining to be sold.

Under the original CT8 Acquisition Agreement, the CT8 Consideration that the Company had agreed to pay to CTE Resources was arrived at based on the average selling price of comparable units sold in Tagore 8 for the remaining unsold units and factoring in a discount of approximately 20.0%.

Following the signing of the CT8 Acquisition Agreement, the Company had further discussed the acquisition of the remaining 50% stake in CT8 with Mr Ng Chee Beng such that the Company would have the full 100% interest in CT8. This would enable the Company to exercise complete management, board, shareholding and accounting control over CT8. In addition, the Board also recognised the opportunity to utilise the cash generated from CT8's sale of the remaining Tagore 8 units to finance its future real estate development plans.

In early 2017, Mr Ng Chee Beng reached an agreement with each of Affluence Resource and CTC to, through CTE, acquire from them the remaining 50.0% of CT8 at a consideration which is equivalent to 50.0% of the net book value of CT8 as at 31 December 2016. As a gesture of goodwill to the Company, Mr Ng Chee Beng has also agreed to on-sell the same to the Company, through CTE, for the same consideration that was paid to Affluence Resource and CTC on the condition that the consideration be settled with a higher proportion to be paid in cash as compared with the CT8 Acquisition Agreement.

As a result of the foregoing, the Second Tranche CT8 Consideration is lower compared to the CT8 Consideration agreed to be paid to CTE Resources under the CT8 Acquisition Agreement. As a show of goodwill, CTE Resources agreed to also reduce the CT8 Consideration to match the Second Tranche CT8 Consideration.

For the reasons set out above, the Board believes that the Second Tranche CT8 Acquisition and the downward revision to the CT8 Consideration is beneficial to and is in the best interests of the Company and its Shareholders.

6.2 WBH Supplemental Agreements

Under the original WBH Acquisition Agreement, the WBH Consideration that the Company had agreed to pay to the WBH Vendors was arrived at without taking into consideration certain liabilities and a mortgage amounting to approximately S\$4.63 million extended to WBH by United Overseas Bank Ltd which the WBH Vendors were to have repaid prior to Completion. Since the execution of the WBH Acquisition Agreement, the Company has worked with Mr Ng Chee Beng to explore areas in which the terms of the Proposed Acquisitions could be improved to the benefit of the Company. To this end, the Company negotiated for a reduction of the WBH Consideration. As a gesture of goodwill, the WBH Vendors eventually agreed to lower the WBH Consideration from S\$13,844,400.00 to S\$7,047,806.03 after factoring in a discount of 15% as well as the net debt position of WBH at Completion.

6.3 Termination of Cowealth

Following the reduction of the WBH Consideration, the Company approached Affluence Resource after the execution of the Cowealth Acquisition Agreement to negotiate a reduction of the Cowealth Consideration. As the parties were not able to come to an agreement, they mutually agreed to terminate the Cowealth Acquisition Agreement.

7. SOURCE OF FUNDS

The Company proposes to pay the Second CT8 Deferred Consideration Amount using a bank loan secured by a mortgage over both the unsold Tagore 8 units and cash proceeds from the sale of 4 Tagore 8 units in the period between 31 December 2016 and the date of this Announcement. The Company has negotiated for and shall procure the loan to be made available to the Company by no later than the Second CT8 Deferred Consideration Date.

In relation to the Second CT8 Acquisition Agreement, unless otherwise agreed in writing, CTE has agreed to bear all legal and other costs and expenses of and incidental to the negotiation, preparation, execution and performance of, and the transactions contemplated under the, Second Tranche CT8 Acquisition Agreement, including all stamp duty (if any) payable in connection with the transfer of the Second Tranche CT8 Sale Shares from CTE to the Company and the costs and expenses incurred by CT8 in connection with the transactions contemplated under the Second Tranche CT8 Acquisition Agreement.

8. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL

The relative figures of the Second Tranche CT8 Acquisition, the CT8 Acquisition and the WBH Acquisition computed on the bases set out in Rules 1006(a) to (e) of the Listing Manual are set out in the table below.

Based on the relative figures set out above, and that control of the Company will change upon issuance of the WBH Consideration Shares, the CT8 Consideration Shares and the Second Tranche CT8 Consideration Shares, the Proposed Acquisitions are considered a "Very Substantial Acquisition" or a "Reverse Takeover" under Rule 1015 of the Listing Manual.

	Bases under Rule 1006	Notes	WBH Acquisition	CT8 Acquisition	Second Tranche CT8 Acquisition	Aggregate
(a)	The net asset value of the asset to be disposed of, compared with Changjiang Group's net asset value	(1)	Not applicable	Not applicable	Not applicable	Not applicable
(b)	The net profit attributable to the assets acquired or disposed of, compared with Changjiang	(2)	not meaningful	not meaningful	not meaningful	not meaningful

	Bases under Rule 1006	Notes	WBH Acquisition	CT8 Acquisition	Second Tranche CT8 Acquisition	Aggregate
	Group's net profit					
(c)	Aggregate value of the consideration to be given or received compared with the Company's market capitalisation (excluding treasury shares)	(3)	108.79%	134.46%	134.46%	377.71%
(d)	The number of equity securities issued by the Company as consideration compared with the number of Shares previously in issue	(4)	137.08%	189.59%	189.59%	516.27%
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of Changjiang Group's proved and probable reserves	(5)	Not applicable	Not applicable	Not applicable	Not applicable

Notes:

- (1) Rule 1006(a) is not applicable to an acquisition of assets.
- (2) "Net profit" means profit or loss before income tax, minority interests and extraordinary items as defined under Rule 1002(3). The relative figures under Rule 1006(b) are not meaningful as Changjiang Group is loss-making while the assets to be acquired pursuant to the Proposed Acquisitions are profitable. The net profit attributable to the WBH Acquisition is approximately S\$25,000 for the financial year ended 31 December 2016 and the net profit attributable to the CT8 Acquisitions is approximately S\$751,000 for financial year ended 31 December 2016. Changjiang Group's loss for financial year ended 31 December 2016 is approximately RMB 20.8 million or approximately S\$4.3 million based on the currency exchange rate of S\$1.00:RMB 4.80388 as at 31 December 2016.
- (3) Based on the aggregate of 1,858,049,252 WBH Consideration Shares, the CT8 Consideration Shares and the Second Tranche CT8 Consideration Shares to be issued by the Company (without

taking into account the effect of the share consolidation to be carried out by the Company and the Professional Advisers' Shares). The Company's market capitalisation of approximately S\$6.5 million is determined by multiplying 359,900,000 Shares (excluding treasury shares) in issue by the volume weighted average price of the Shares of S\$0.0018 transacted on 13 April 2015.

- (4) Based on the Company's issued and paid-up share capital of 359,900,000 Shares (excluding treasury shares) as at the date of this announcement.
- (5) Rule 1006(e) is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company and is not applicable to the Proposed Transactions.

9. PROPOSED SHARE ISSUANCES

In addition, the Company is proposing, subject to the approval of Shareholders, to issue up to 536,000,000 new Shares (the "**Additional Shares**") on Completion at an issue price of S\$0.005 per Additional Share for the following purposes (the "**Proposed Share Issuances**"):

- (a) up to 136,000,000 Additional Shares to the professional advisers of the Company for the purposes of settling the professional fees incurred by the Company;
- (b) up to 100,000,000 Additional Shares to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) for converting up to S\$500,000 in interest-free loans which he has personally extended and will continue to extend to the Company for the purposes of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date; and
- (c) up to 300,000,000 Additional Shares to NCB for converting a S\$1,500,000 interest-free loan that he has personally extended to CFHL for the purposes of assisting the Company to pay its operating and other expenses that have to be incurred prior to Completion Date.

The issue price represents a discount of approximately 72.2% from the last transacted price of the Shares of S\$0.018 on the SGX-ST on 13 April 2015 and it is the same as the issue price of the Second Tranche CT8 Consideration Shares, the CT8 Consideration Shares and the WBH Consideration Shares.

The proposed issuance of up to 100,000,000 Additional Shares to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) for converting up to S\$500,000 in interest-free loans is an interested person transaction for the purposes of Chapter 9 of the Listing Manual. As the Group is in a net tangible liabilities position, the aggregate consideration for the proposed issuance to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) of S\$500,000 is approximately -3.24% of the Group's latest audited net tangible liabilities of approximately S\$15.42 million (based on the exchange rate of S\$1:RMB 0.20178 as at 23 July 2017) as at 31 December 2016.

Save for the proposed issuance of up to 100,000,000 Additional Shares to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) for converting up to S\$500,000 in interest-free loans, there are no interested person transactions for the current financial year.

The Company believes that the issuance of up to 100,000,000 Additional Shares to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) for converting up to S\$500,000 in interest-free loans is beneficial to the Company as it is currently in a net liability position and post-Completion the issuance will enable the Company to direct available cash

resources towards growing the Company's business in real estate development rather than paying down loans.

The Audit Committee of the Company has reviewed the rationale for and the terms of the proposed issuance of up to 100,000,000 Additional Shares to Daniel Long Chee Tim (Acting Chief Executive Officer and Executive Director) and is of the view that it is on normal commercial terms and is not prejudicial to the interests of the Company and the minority Shareholders.

10. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS AND THE PROPOSED SHARE ISSUANCES

Please refer to **Appendix A** of this announcement for certain financial effects of the Proposed Acquisitions and the Proposed Share Issuances.

11. WHITEWASH WAIVER

Upon completion of the allotment and issue of the WBH Consideration Shares pursuant to the WBH Acquisition Agreement, as amended by the WBH Supplemental Agreement and the WBH Supplemental Agreements, the CT8 Consideration Shares pursuant to the CT8 Acquisition Agreement, as amended by the CT8 Supplemental Agreements, and the Second Tranche CT8 Consideration Shares pursuant to the Second Tranche CT8 Acquisition Agreement, the shareholdings of the WBH Vendors and each of the CT8 Vendors in the enlarged issued share capital of the Company will be as set out in paragraph 13 below.

Pursuant to Rule 14 of the Code, the WBH Vendors and/or the CT8 Vendors and the respective parties acting in concert with the WBH Vendors and/or the CT8 Vendors (as may be applicable) will be required to make a mandatory general offer for the Shares not held by the WBH Vendors and/or the CT8 Vendors and their respective concert parties (as may be applicable) except where the SIC grants them a waiver of their obligation to make a mandatory general offer under Rule 14 of the Code.

An application will be made to the SIC for the waiver of the obligations of the WBH Vendors and/or the CT8 Vendors and their respective concert parties (as may be applicable) to make a mandatory general offer under Rule 14 of the Code as a result of the acquisition of the WBH Consideration Shares by the WBH Vendors, the CT8 Consideration Shares by CTE Resources or the Second Tranche CT8 Consideration Shares by CTE.

12. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed in this announcement:

- (a) None of the directors has any interest, direct or indirect, in the Proposed Transactions and the Proposed Share Issuances, save through his shareholding in the Company (if any); and
- (b) To the best of the knowledge of the directors, none of the controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Transactions and the Proposed Share Issuances, save through such Shareholders' shareholding in the Company

13. SHAREHOLDING EFFECTS

13.1 The Company has been notified that:

- (a) in respect of the WBH Acquisition Agreement, CTE and WLI will hold the WBH Consideration Shares that CTE and WLI are entitled to under the WBH Acquisition Agreement;
- (b) in respect of the CT8 Acquisition Agreement, CTE Resources will assign to CTE, OOE, Mdm Lee Tee Eng ("**LTE**") and Mdm Serene Lee Chooi Li ("**SLCL**"), to hold the CT8 Consideration Shares (in proportion to their shareholding in CTE Resources) that CTE Resources is entitled to under the CT8 Acquisition Agreement (the "**CTE Resources Assignment**"); and
- (c) in respect of the Second Tranche CT8 Acquisition Agreement, CTE will hold the Second Tranche CT8 Consideration Shares that CTE is entitled to under the Second Tranche CT8 Acquisition Agreement.

13.2 Please refer to **Appendix B** of this announcement for the shareholding structure of the Company upon the completion of the Proposed Transactions and the Proposed Share Issuances, taking into account the CTE Resources Assignment and assuming that there is no share consolidation prior to Completion.

14. FURTHER ANNOUNCEMENTS

The Company will make the necessary announcements when there are further developments on the Proposed Transactions and other matters contemplated by this announcement.

15. CAUTIONARY STATEMENT

The Board would like to advise Shareholders that the completion of the Proposed Transactions remains subject to the fulfillment of the various conditions precedent as set out under the WBH Acquisition Agreement, as amended by the WBH Supplemental Agreement and the WBH Supplemental Agreements, the CT8 Acquisition Agreement, as amended by the CT8 Supplemental Agreements, and/or the Second Tranche CT8 Acquisition Agreement, and no legally binding agreement has been entered into in relation to the Disposal of PRC Assets.

BY ORDER OF THE BOARD

Long Chee Tim, Daniel
Acting Chief Executive Officer
and Executive Director
26 July 2017

Appendix A

1. PRO FORMA CONSOLIDATED FINANCIAL INFORMATION OF THE TARGET COMPANIES

A summary of the unaudited pro forma consolidated financial information of the Target Companies for the financial years ended 31 December 2014, 2015 and 2016 is set out below. The unaudited pro forma consolidated financial information of the Target Companies has been prepared for illustrative purposes only, and, because of its nature, may not give a true picture of the Target Companies' actual results and financial position following the completion of the Proposed Acquisitions.

Consolidated Income Statement

	Financial year ended 31 December		
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)
Summary of profit and loss (\$'000)			
Revenue	1,148	170,751	16,780
Profit /(loss) before tax	(392)	25,136	776
Profit /(loss) after tax	(386)	20,824	641

Consolidated Balance Sheet

	As at 31 December		
	2014 (unaudited)	2015 (unaudited)	2016 (unaudited)
Balance sheet summary (\$'000)			
Total assets	202,275	57,823	30,834
Total liabilities	200,939	35,663	13,034
Equity	1,336	22,160	17,801

Shareholders should note that the statutory financial year adopted by WBH is 30 June, which is different from the financial year end of 31 December adopted by the Company and CT8. The figures set out above may vary from the final unaudited pro forma financial information of the Company, CT8 and WBH (collectively, the "**Enlarged Group**") due to changes in the basis of preparation, assumptions and adjustments that may arise. The pro forma financial information of the Enlarged Group will be reviewed by the Company's reporting accountants, and will be set out in the circular to be sent to Shareholders.

2. PRO FORMA FINANCIAL EFFECTS OF THE PROPOSED ACQUISITIONS AND PROPOSED SHARE ISSUANCES

The pro forma financial effects of the Proposed Acquisitions and the Proposed Share Issuances are set out below.

A. Bases and assumptions

The pro forma financial effects of the Proposed Acquisitions and the Proposed Share Issuances set out below are for illustrative purposes only. The pro forma financial effects have been prepared based on:

- (i) the audited financial statements of the Company for the financial year ended 31 December 2016;
- (ii) the unaudited financial information of WBH for the financial year ended 31 December 2016; and
- (iii) the unaudited financial information of CT8 for the financial year ended 31 December 2016.

Shareholders should note that the statutory financial year adopted by WBH is 30 June, which is different from the financial year end of 31 December adopted by the Company and CT8. The figures set out below may vary from the final unaudited proforma financial information of the Company, WBH and CT8 (collectively, the "**Enlarged Group**") due to changes in the basis of preparation, assumptions and adjustments that may arise. The proforma financial information of the Enlarged Group will be reviewed by the Company's reporting accountants, and will be set out in the circular to be sent to the Shareholders.

The proforma financial effects of the Proposed Acquisitions and the Proposed Share Issuances do not necessarily reflect the actual results and financial position of the Enlarged Group immediately following the completion of the Proposed Acquisitions, (for the purpose of this announcement as if such group structure has been in existence since 1 January 2016) following completion of the Proposed Acquisitions.

For the purposes of illustrating the financial effects of the Proposed Acquisitions and the Proposed Share Issuances, the financial effects have been prepared based on, amongst others, the following assumptions:-

- (i) the financial effects of the Proposed Acquisitions and the Proposed Share Issuances on the earnings and earnings per share ("**EPS**")/loss per Share ("**LPS**") of the Enlarged Group are computed assuming that the Proposed Acquisitions were completed on 1 January 2016;
- (ii) the financial effects of the Proposed Acquisitions and the Proposed Share Issuances on net tangible assets ("**NTA**")/net tangible liabilities ("**NTL**") of the Enlarged Group are computed assuming that the Proposed Acquisitions were completed on 31 December 2016;
- (iii) the fair value adjustments on the net assets of the Group and positive or negative goodwill arising from the Proposed Acquisitions and the Proposed Share Issuances, if any, have not been considered for the purpose of computing the financial effects of the Proposed Acquisitions and the Proposed Share Issuances and will be determined on the date of completion of the Proposed Acquisitions and the Proposed Share Issuances when the shareholders of WBH and CT8 have effectively obtained control of the Company. As the final goodwill will have to be determined at completion, the actual goodwill could be materially different from the aforementioned assumption. Any goodwill arising thereon

from the Proposed Acquisitions and the Proposed Share Issuances will be accounted for in accordance with the accounting policies of the Company;

- (iv) based on the above assumptions, and assuming (A) the total consideration for the Proposed Acquisitions is S\$24,468,597.03, an aggregate of 1,858,049,252 WBH Consideration Shares, the CT8 Consideration Shares and the Second Tranche CT8 Consideration Shares were issued at the Issue Price and (B) up to 536,000,000 Additional Shares were issued at an issue price of S\$0.005 per Additional Share as settlement for professional fees incurred by the Company and repayment of interest-free loans extended to the Company, on 31 December 2016 for the purpose of calculating the financial effects of the Proposed Acquisitions and the Proposed Share Issuances on the NTA/NTL per share of the Company and on 1 January 2016 for the purpose of calculating the financial effects of the Proposed Acquisitions and the Proposed Share Issuances on the EPS/LPS of the Company;
- (v) effects of any share consolidation and the Disposal of PRC Assets are disregarded for the purpose of illustration under this appendix as their details and terms have not been confirmed;
- (vi) expenses in connection with the Proposed Acquisitions are disregarded for the purpose of calculating the financial effects; and
- (vii) no Shares other than the WBH Consideration Shares, the CT8 Consideration Shares, the Second Tranche CT8 Consideration Shares and the Additional Shares are issued.

B. Share Capital

	No. of Shares	S\$ ('000)
Issued and paid-up share capital as at 31 December 2016	359,900,000	44,372
Add: WBH Consideration Shares, CT8 Consideration Shares, Second Tranche CT8 Consideration Shares and Additional Shares	1,858,049,252	9,290
After completion of the Proposed Acquisitions and Proposed Share Issuances	2,217,949,252	53,662

C. LPS

	Before the Proposed Acquisitions and the Proposed Share Issuances	After the Proposed Acquisitions and the Proposed Share Issuances
Loss attributable to Shareholders (S\$'000) for FY2016	S\$1,483	S\$842
Number of issued Shares (excluding treasury shares)	359,900,000	2,217,949,252
Loss per Share (cents)	0.41	0.04

D. NTA

	Before the Proposed Acquisitions and the Proposed Share Issuances	After the Proposed Acquisitions and the Proposed Share Issuances
NTA of the Company as at 31 December 2016 (S\$'000)	(4,529)	13,271
Number of issued Shares (excluding treasury shares)	359,900,000	2,217,949,252
NTA per Share (cents)	(1.26)	0.60

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5. Gearing⁽¹⁾

	Before the Proposed Acquisitions and the Proposed Share Issuances	After the Proposed Acquisitions and the Proposed Share Issuances
Net debts as at 31 December 2016 (S\$'000)	-	8,801
Shareholders' equity as at 31 December 2016 (S\$'000)	(4,529)	13,271
Gearing (%)	Not Applicable	66.32%

Note:

- (1) Gearing is determined based on net debt divided by shareholders' equity. Net debt is calculated as borrowings less cash and cash equivalent.

APPENDIX B

SHAREHOLDING EFFECTS

Name of shareholder of the Company		Number of shares currently held in existing share capital of the Company	Percentage	Number of shares held in enlarged share capital of the Company after completion of the Proposed Transactions and the Proposed Share Issuances	Percentage
Existing Shareholders and the Existing Public Shareholders					
1.	Cai Jian Hua	90,900,590	25.26	90,900,590	3.30
2.	Jinchen Investment Holdings Pte. Ltd.	70,880,000	19.69	70,880,000	2.57
3.	China Hui Xin Investment Management Ltd	16,666,666	4.63	16,666,666	0.61
4.	Equinox Investment Group Ltd	88,880,000	24.70	88,880,000	3.23
5.	Other public shareholders	92,572,744	25.72	92,572,744	3.36
Consideration Shares Recipients					
1.	CTE ^{(1)(2) (3)}	-	-	1,396,471,087	50.71
3.	WLI ⁽⁴⁾	-	-	148,003,927	5.37
4.	OOE ⁽²⁾	-	-	104,524,746	3.80

Name of shareholder of the Company		Number of shares currently held in existing share capital of the Company	Percentage	Number of shares held in enlarged share capital of the Company after completion of the Proposed Transactions and the Proposed Share Issuances	Percentage
5.	LTE ⁽²⁾⁽⁵⁾	-	-	104,524,746	3.80
6.	SLCL ⁽²⁾	-	-	104,524,746	3.80
Additional Shares Recipients					
1.	Professionals	-	-	136,000,000	4.93
2.	Daniel Long Chee Tim	-	-	100,000,000	3.63
3.	NCB ⁽³⁾	-	-	300,000,000	10.89
Total		359,900,000	100 (approximately)	2,753,949,252	100 (approximately)

Notes:

- (1) CTE will be receiving the WBH Consideration Shares under the WBH Acquisition and the Second Tranche CT8 Acquisition.
- (2) Each of CTE, OOE, LTE and SLCL is a shareholder of CTE Resources and is each a nominee of CTE Resources under the CT8 Acquisition after the CTE Resources Assignment.
- (3) NCB is deemed interested in the shareholdings of CTE by virtue of his 90% interest in CTE.
- (4) WLI will be receiving the WBH Consideration Shares under the WBH Acquisition.
- (5) LTE is deemed interested in the shareholdings of WLI by virtue of her 50% interest in WLI. The remaining 50% interest in WLI is held by her spouse, Dr. Bailey Wang.