

CHANGJIANG FERTILIZER HOLDINGS LIMITED

(Registration Number: 200713878D)

RESPONSE TO QUERIES FROM SGX-ST

The Board of Directors of Changjiang Fertilizer Holdings Limited (the “Company”) refers to 2 queries raised by SGX-ST (“Queries”) in relation to the Company’s Financial Statements and Related Announcement: Full Yearly Results” released via SGXNET on 22 February 2017.

The following information is provided in response to the Queries:-

- 1) Please explain why staff costs of RMB 15.3 million continue to be incurred despite discontinued operations. Please elaborate on why the Company deems it necessary to continue incurring these significant expenses.**

Company’s reply:

Staff costs provided in the accounts were primarily for workers affected by the discontinuation of the operations in the 3 PRC subsidiaries. As advised by the PRC Management and Directors, the PRC subsidiaries were required by the local regulations to make these provisions on the basis of local contracts which had been signed between the workers and the PRC subsidiaries. These provisions relate to the accrual for workers’ salaries and living expenses due to apparently untermiated labour contracts. Said provisions were discontinued after 30th September 2016, when there was no further advice by the PRC Management and Directors relating to this matter.

- 2) As required by Listing Rule 720(1), please disclose the confirmation that the Company has procured undertakings in the format set out in Appendix 7.7 of the Listing Manual from all its directors and executive officers.**

Company’s reply:

The Company has procured the necessary undertakings from the relevant officers.

Thank you.

Regards,

BY ORDER OF THE BOARD

Changjiang Fertilizer Holdings Limited

Daniel Long Chee Tim

Acting Chief Executive Officer and Executive Director

10 March 2017