

CHANGJIANG FERTILIZER HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200713878D)

**ABORTION OF POTENTIAL ACQUISITION OF BUSINESS ASSETS OF
YUEYANG CITY XINSHENG FUHEFEI CO., LTD (岳阳市兴盛复合肥料有限公司)**

The Board of Directors (the “**Board**”) of Changjiang Fertilizer Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the announcement dated 27 December 2013 (the “**Previous Announcement**”) in respect of the entry by its wholly-owned subsidiary Changjiang Huafei (Hunan) Co., Ltd (长江化肥(湖南)有限公司) (“**Changjiang Huafei**”) into a memorandum of understanding dated 27 December 2013 (“**MOU**”) with Yueyang City Xinsheng Fuhefei Co., Ltd (岳阳市兴盛复合肥料有限公司) (the “**Vendor**”), in relation to a potential acquisition of the Vendor’s business assets (the “**Assets**”) involving, *inter alia*, the production of compound fertilisers (the “**Acquisition**”). Unless otherwise defined, all capitalized terms used in this announcement shall bear the same meanings ascribed to them in the Previous Announcement.

Further to the Previous Announcement, the Company had received an opinion from the Hunan Fertilizer Association containing, *inter alia*, the following findings:

- (a) a significant amount of financial resources and working capital may be required to sustain the operations of the Assets; and
- (b) the state of the fertiliser industry is becoming more saturated and volatile.

In view of the above, the Board is of the view that it would not be in the Company’s interests for Changjiang Huafei to proceed with the Acquisition. The Group has notified the Vendor of its intention to terminate the MOU and the Acquisition by way of a letter dated 28 February 2015. The Company intends to continue seeking suitable opportunities to diversify its business.

The Company is in the process of seeking legal advice in respect of pursuing the refund of the Deposit, and will make such further announcement as and when appropriate to keep shareholders informed of any developments on the above matter.

BY ORDER OF THE BOARD
CHANGJIANG FERTILIZER HOLDINGS LIMITED

Zhu Xue Cheng
Executive Chairman

28 February 2015