



CEFC INTERNATIONAL LIMITED
(Incorporated in Bermuda)
(Company Registration No. 35733)
(the "Company")

SUBSCRIPTION OF 705,530,975 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT S\$0.35 FOR EACH SUBSCRIPTION SHARE TO RAISE GROSS PROCEEDS OF S\$246,935,841.25

- RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST

1. INTRODUCTION

The Board of Directors of the Company (the "**Board**") refers to the announcement dated 10 August 2015 (the "**Previous Announcement**") in respect of the Subscription.

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meaning as ascribed to them in the Previous Announcement.

2. UPDATE ON THE USE OF PROCEEDS

In the Previous Announcement, the Board had announced that up to approximately 15% of the net proceeds would be used to repay shareholder loans. This cap of 15% exceeds the current shareholder loans of about S\$14,800,000 and was made on the assumption that the Company may need to call for additional shareholder loans pending the use of the proceeds from the Subscription. Based on the current shareholder loans, the Board has recalculated the percentage of the shareholders loan repayment and wishes to correct that the cap should be approximately 8% of the net proceeds from the Subscription instead.

3. RECEIPT OF APPROVAL IN-PRINCIPLE

Further to the Previous Announcement, the Board wishes to announce that the Company has on 2 September 2015 received the approval in-principle from the SGX-ST for the listing and quotation of the Subscription Shares on the Mainboard of the SGX-ST (the "**Approval In-Principle**").

The Approval In-Principle granted by the SGX-ST is subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements; and
- (b) submission of the following documents:
 - (i) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Subscription and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the

use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;

- (ii) a written undertaking from the Company that it will comply with Rule 803 of the Listing Manual; and
- (iii) a written confirmation from the Company that it will not issue the Subscription Shares to persons prohibited under Rule 812(1) of the Listing Manual.

The approval-in-principle of the SGX-ST is not to be taken as an indication of the merits of the Subscription, the Subscription Shares, the Company and/or its subsidiaries.

A separate announcement will be released by the Company upon the allotment and issue of the Subscription Shares.

4. INFORMATION ABOUT THE ULTIMATE SHAREHOLDERS OF SUBSCRIBERS

The Subscribers are Northern International Capital Holdings (HK) Limited, Huanghe Exploration & Technology (Group) Limited and Hong Kong Great Wall Economic Cooperation Centre Limited.

Northern International Capital Holdings (HK) Limited is beneficially owned and controlled by Mr Liu Wei. Mr Liu Wei graduated from Changsha University of Electric Power (长沙电力学院). He has more than 20 years of financial management experience. He previously took up senior management roles in the petrochemical industry and is presently the Group General Manager of a trading group. Mr Liu Wei has provided written confirmation to the Company that he is subscribing for shares in the Company through his investment vehicle, 北方国际集团(香港)金融控股有限公司 (Northern International Capital Holdings (HK) Limited), in which he has an effective interest of approximately 96%. 北方国际集团(香港)金融控股有限公司 (Northern International Capital Holdings (HK) Limited) holds the shares beneficially for its shareholders in accordance with their effective interest and not as nominee for any other person.

Hong Kong Great Wall Economic Cooperation Centre Limited is beneficially owned by Mr Wang Zhihui. Mr Wang Zhihui graduated from Harbin Normal University (哈爾濱師範大學) and has more than 30 years of experience in the oil and gas industry. He is presently the General Manager of a petrochemical company. He has provided written confirmation to the Company that he is the beneficial owner of the shares that 香港长城经济合作中心集团有限公司 (Hong Kong Great Wall Economic Cooperation Centre Limited) is subscribing in the Company and not as nominee for any other person.

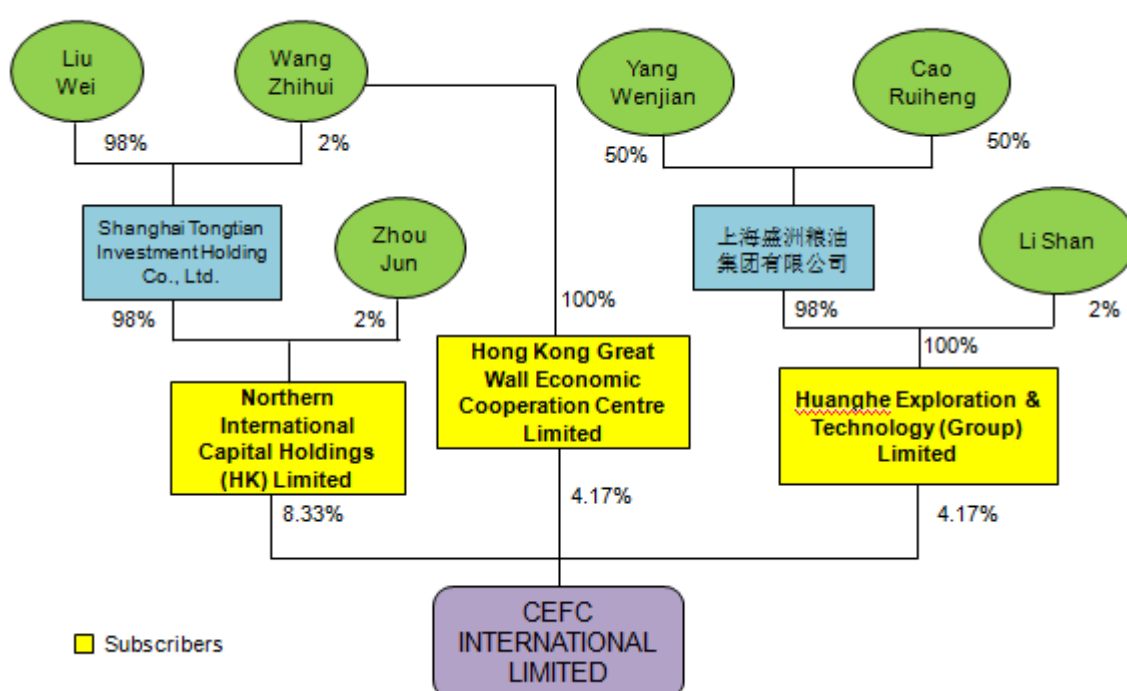
Huanghe Exploration & Technology (Group) Limited is beneficially owned by Mr Yang Wenjian and Mr Cao Ruiheng.

Mr Yang Wenjian graduated from Xi'an Shiyou University (西安石油大学) and has more than 40 years of experience in the oil and gas exploration industry. He has provided written confirmation to the Company that he is subscribing for shares in the Company through his investment vehicle, 黄河集团勘探技术有限公司 (Huanghe Exploration & Technology (Group) Limited), in which he has an effective interest of 49%. 黄河集团勘探技术有限公司 (Huanghe

Exploration & Technology (Group) Limited) holds the shares beneficially for its shareholders in accordance with their effective interest and not as nominee for any other person.

Mr Cao Ruiheng graduated from Hebei University of Technology (河北工业大学) and has more than 10 years of experience in state-owned enterprises. He is presently a director in a leading energy trading group in China. He has provided written confirmation to the Company that he is subscribing for shares in the Company through his investment vehicle, 黄河集团勘探技术有限公司 (Huanghe Exploration & Technology (Group) Limited), in which he has an effective interest of 49%. 黄河集团勘探技术有限公司 (Huanghe Exploration & Technology (Group) Limited) holds the shares beneficially for its shareholders in accordance with their effective interest and not as nominee for any other person.

For ease of reference, we set out below the shareholding structure of the Subscribers:



The above information was provided by the relevant Subscribers. Additionally, to the extent possible, the Company has also conducted due diligence on the background of the Subscribers and their ultimate shareholders based on publicly available information and has further required the ultimate shareholders of the Subscribers to each provide a letter of confirmation to the Company confirming that each Subscriber holds the shares beneficially for its shareholders in accordance with their effective interest and not as nominee for any other person. The Company understands that the ultimate shareholders of the Subscribers are private investors who have made investments in equity and property markets in China.

5. HOW THE SUBSCRIBERS WERE INTRODUCED TO THE COMPANY

Mr Zang Jian Jun, an executive director of the Company, is acquainted with Mr Liu Wei as they are both involved in the petrochemical trading industry. Mr Zang contacted Mr Liu Wei, who is one of the ultimate shareholders of 北方国际集团(香港)金融控股有限公司 (Northern International Capital Holdings (HK) Limited), regarding the private placement exercise.

Mr Liu Lei, who was at that time a member of the Company's management and has since been appointed as an executive director of the Company on 17 August 2015, is acquainted with Mr Cao Ruiheng as they are both involved in the oil trading industry. Mr Liu Lei contacted Mr Cao Ruiheng, who is one of the ultimate shareholders of 黄河集团勘探技术有限公司 (Huanghe Exploration & Technology (Group) Limited), regarding the private placement exercise.

Mr Liu Zhong Qiu, a director of the Company, is acquainted with Mr Wang Zhihui because they had cooperated on upstream exploration projects in the past. Mr Liu Zhong Qiu contacted Mr Wang Zhihui, who is the ultimate shareholder of 香港长城经济合作中心集团有限公司 (Hong Kong Great Wall Economic Cooperation Centre Limited), regarding the private placement exercise.

No fee or commission was paid to Mr Zang Jian Jun, Mr Liu Lei and Mr Liu Zhong Qiu or to any other persons for the introductions.

6. CONFIRMATION BY COMPANY

The Company confirms that, to the best of its knowledge and belief, apart its executive directors being acquainted with some of the Subscribers' directors within the petrochemical and oil trading industry, none of its directors or substantial shareholders have any connection (including any business relationship) with any of the Subscribers or their directors or substantial shareholders.

7. CORRECTIONS TO THE PREVIOUS ANNOUNCEMENT

The Board further wishes to correct the typographical errors in the Chinese names of the following companies as referred to in the Previous Announcement:

- (a) all references to “上海通腴國際控股有限公司 (Shanghai Tongtian Investment Holding Co., Ltd.)” should be to “上海通腴投資控股有限公司 (Shanghai Tongtian Investment Holding Co., Ltd.)”; and
- (b) all references to “上海盛州糧油集團有限公司” should be to “上海盛洲糧油集團有限公司”.

By Order of the Board

Lu Da Chuan
Executive Director
2 September 2015