



創建集團

CCM GROUP LIMITED

-
- (A) PROPOSED PLACEMENT OF 44,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF CCM GROUP LIMITED (THE “PLACEMENT SHARES”), AT S\$0.092 FOR EACH PLACEMENT SHARE TO RAISE GROSS PROCEEDS OF S\$4,048,000 (THE “PROPOSED PLACEMENT”); AND
- (B) UPDATE ON USE OF PROCEEDS FROM THE PREVIOUS PLACEMENT OF 35,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF CCM GROUP LIMITED TO HENGFAI BUSINESS DEVELOPMENT PTE LTD (FORMERLY KNOWN AS HENGFAI STRATEGIC INVESTMENT PTE. LTD.
-

- (A) PROPOSED PLACEMENT OF 44,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF CCM GROUP LIMITED (THE “PLACEMENT SHARES”), AT S\$0.092 FOR EACH PLACEMENT SHARE TO RAISE GROSS PROCEEDS OF S\$4,048,000 (THE “PROPOSED PLACEMENT”)

1. BACKGROUND

The Board of Directors of CCM Group Limited (the “**Company**”) wishes to announce that it had, on 3 June 2013, entered into subscription agreements (“**Subscription Agreements**”) for the placement of new ordinary shares (“**New Shares**”) in the capital of the Company with each of the following individuals/entity:

- (i) Kaedjohare Ismail Chechatwala;
- (ii) Asian Trust Investment Pte. Ltd.;
- (iii) Pei Sim Kwee;
- (iv) Peck Chuan Yong;
- (v) Ponnampalam Sivakumar;
- (vi) Foo Sea Keng; and
- (vii) Patricia Lim Kai Chi,

for the issue and allotment of an aggregate of 28,000,000 New Shares by the Company to the abovementioned individuals/entities (“**New Shares Placees**”).

The Company had also, on 3 June 2013, entered into placement agreements (“**Placement Agreements**”) with each of the following individuals:

- (i) Sim Siew Tin, Carol; and
- (ii) Lim Yao Rong, Rachel,

for the placement of an aggregate of 16,000,000 shares in the capital of the Company, borrowed by the Company from Mr Liew Sen Keong, a Director and

substantial shareholder of the Company ("**Lender**") ("**Loan Shares**"), pursuant to a share lending arrangement, to the abovementioned individuals (the "**Loan Shares Placees**"). Please see below and paragraph 3 for more details on the share lending arrangement. The Subscription Agreements and the Placement Agreements are collectively known as "**Placement Documents**", and the individuals/entity who have signed the Placement Documents are collectively known as "**Placees**" and each a "**Placee**". The New Shares and Loan Shares are collectively known as "**Placement Shares**".

Pursuant to the terms of the Placement Documents, the Company proposes to raise capital by issuing and allotting an aggregate of 44,000,000 Placement Shares to the New Shares Placees, as well as the Lender pursuant to the Share Lending Agreement (as defined below). The total consideration for the Proposed Placement is S\$4,048,000 (the "**Total Consideration**"). The total number of Placement Shares represents approximately (i) 34.59% of the share capital of the Company as at the date of the 2013 Share Issue Mandate (excluding treasury shares); and (ii) 25.70% of the share capital of the Company on an enlarged basis (excluding treasury shares) following the completion of the Proposed Placement.

As abovementioned, in connection with the Proposed Placement and to expedite the delivery of the Placement Shares to the Loan Shares Placees, the Company had entered into a share lending agreement (the "**Share Lending Agreement**") with the Lender, on 3 June 2013. Upon the terms and subject to the conditions of the Share Lending Agreement, the Lender has agreed to lend to the Company the Loan Shares for delivery to the Loan Shares Placees by the Company, in order to facilitate the Proposed Placement. The Company shall, on not more than three (3) business days after the receipt of the listing and quotation notice from the SGX-ST in relation to the Placement Shares or such other date as may be agreed between the Company and the Lender, issue and allot such number of Shares equivalent to the number of Loan Shares to the Lender, upon the terms and subject to the conditions of the Share Lending Agreement. The Lender shall be entitled to terminate the Share Lending Agreement at his absolute discretion in any circumstances, and to call for the redelivery of all or any Loan Shares at any time by giving not less than seven (7) days' notice on any business day. The Company shall deliver such Loan Shares immediately to the Lender at his instructions. No financial benefit, whether directly or indirectly, will be derived by the Lender from the share lending arrangement. Please see paragraph 3 below for further details.

The shareholders of the Company (the "**Shareholders**") had, at the annual general meeting of the Company held on 30 April 2013 ("**2013 AGM**"), approved a general share issue mandate by way of an ordinary resolution (the "**2013 Share Issue Mandate**"). The 2013 Share Issue Mandate will expire at the next annual general meeting of the Company.

The 2013 Share Issue Mandate authorises the Directors of the Company to allot and issue new shares in the capital of the Company ("**Shares**") not exceeding 100% of the total number of issued Shares (excluding treasury shares) as at the date of the 2013 AGM, of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company shall not exceed 50% of the Company's total number of issued Shares (excluding treasury shares).

The number of issued Shares (as at the date of the 2013 AGM) was 127,220,000 Shares. No Shares were previously issued under the 2013 Share Issue Mandate prior to the Proposed Placement and as such, the number of new Shares that may be issued pursuant to the 2013 Share Issue Mandate is 127,220,000 Shares, of

which the maximum number of new Shares to be issued other than on a pro-rata basis is 63,610,000 Shares.

Following the Proposed Placement of 44,000,000 Placement Shares, the Company can issue up to 19,610,000 Shares other than on a pro rata basis pursuant to the 2013 Share Issue Mandate.

2. TERMS OF THE PROPOSED PLACEMENT

2.1 Placement Price

The Placement Shares shall be allotted and issued at a placement price of S\$0.092 per Placement Share (the “**Placement Price**”). The Placement Price was arrived at following arm’s length negotiations between the Company and the Placees and represents a discount of approximately 9.27% to the volume weighted average price of S\$0.1014 for trades done on the Shares on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) from 31 May 2013 (being the preceding full market day before the Placement Documents were signed) up to the time of the trading halt of the Company’s shares on the afternoon of 3 June 2013.

2.2 The Placement Shares

The number of Placement Shares to be issued to the respective New Shares Placees are as follows:

Name of New Shares Placee	Number of Placement Shares	Number of Placement Shares as a percentage of enlarged share capital ⁽¹⁾
Asian Trust Investment Pte. Ltd.	8,500,000	4.96%
Patricia Lim Kai Chi	6,000,000	3.50%
Kaedjohare Ismail Chechatwala	5,000,000	2.92%
Foo Sea Keng	2,500,000	1.46%
Pei Sim Kwee	2,000,000	1.17%
Peck Chuan Yong	2,000,000	1.17%
Ponnampalam Sivakumar	2,000,000	1.17%

Note:

(1) Based on the enlarged share capital of 171,220,000 Shares.

The Placement Shares, when issued and allotted and/or delivered, shall rank *pari passu* in all respects with and carry all rights similar to the existing Shares, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the Proposed Placement.

Pursuant to the allotment and issue of the Placement Shares, the Company's issued and paid-up share capital (excluding treasury shares) will increase from 127,220,000 Shares as at the date of this announcement, to 171,220,000 Shares.

2.3 Additional Listing Application

The Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), will be making an application on behalf of the Company to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist of the SGX-ST.

An announcement of the receipt of the listing and quotation notice ("LQN") in relation to the Placement Shares will be made in due course when the LQN is obtained.

2.4 Conditions

Conditions Precedent of the Subscription Agreements

Completion of the Subscription Agreements is conditional upon:

- (i) the LQN of the 44,000,000 New Shares on the Catalist of the SGX-ST being obtained from the SGX-ST via the Sponsor and not revoked or amended as at the completion date of the Subscription Agreements and, where such approval is subject to conditions, such conditions being reasonably acceptable to the New Shares Placees;
- (ii) the share issue mandate being valid, subsisting and adequate for the purposes of the issue of the 44,000,000 New Shares as at the completion date of the Subscription Agreements;
- (iii) the issue and subscription of the 44,000,000 New Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Subscription Agreements by any applicable legislative, executive or regulatory body or authority of Singapore;
- (iv) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in the Subscription Agreements untrue or incorrect in any material respect as at the completion date of the Subscription Agreements as if they had been given again on the completion date of the Subscription Agreements; and
- (v) the Company and the New Shares Placees not being in breach of any of the undertakings and the covenants in the Subscription Agreements as at the completion date of the Subscription Agreements.

Conditions Precedent of the Placement Agreements

Completion of the Placement Agreements is conditional upon:

- (i) the transfer of the Loan Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of the Placement Agreements by any applicable legislative, executive or regulatory body or authority of Singapore;
- (ii) there having been no occurrence of any event or discovery of any fact rendering any of the warranties in the Placement Agreements untrue or incorrect in any material respect as at the completion date of the Placement

Agreements as if they had been given again on the completion date of the Placement Agreements; and

- (iii) the Company and the Loan Shares Placees not being in breach of any of the undertakings and the covenants in the Placement Agreements as at the completion date of the Placement Agreements.

2.5 Completion

With respect to the Subscription Agreements, completion is scheduled to take place on the date falling five (5) business days after the satisfaction of the conditions applicable to the Subscription Agreements as set out in paragraph 2.4 above. If the conditions as applicable to the Subscription Agreements as set out in paragraph 2.4 above are not satisfied by 31 August 2013 or such other date as may be mutually agreed between the Company and the relevant Placee(s), the Subscription Agreement(s) shall cease and determine.

With respect to the Placement Agreements, completion is scheduled to take place on the date falling five (5) business days after the satisfaction of the conditions applicable to the Placement Agreements as set out in paragraph 2.4 above. If the conditions as applicable to the Placement Agreements as set out in paragraph 2.4 above are not satisfied by 31 August 2013 or such other date as may be mutually agreed between the Company and the relevant Placee(s), the Placement Agreement(s) shall cease and determine.

3. PLACEMENT AND SHARE LENDING AGREEMENT

Under the Subscription Agreements and the Share Lending Agreement, it is envisaged that the Company will issue an aggregate of 28,000,000 New Shares to the New Shares Placees and 16,000,000 New Shares to the Lender respectively.

Upon the terms and subject to the conditions of the Share Lending Agreement, the Lender has agreed to lend to the Company 16,000,000 Loan Shares, representing approximately 12.58% of the existing issued share capital of the Company prior to the Proposed Placement, for delivery to the Loan Shares Placees, in order to facilitate the delivery of Placement Shares to them (the “**Share Lending**”). The Loan Shares Placees are as follows:

Name of Loan Shares Placees	Number of Loan Shares
Sim Siew Tin, Carol	8,000,000
Lim Yao Rong, Rachel	8,000,000

The Company shall thereafter, if and upon receipt of the LQN from the SGX-ST to the listing and quotation of the 44,000,000 New Shares, allot and issue such number of new Shares equivalent to the number of Loan Shares to the Lender, such that the Lender maintains his original number of Shares in the Company prior to the Proposed Placement.

In the event that the LQN is not granted by the SGX-ST for whatsoever reason, the Loan Shares Placees shall deliver the Loan Shares to the Lender.

As at the date of the announcement, the shareholding of the Lender is as follows:

Name	No. of Shares held in the Company	As a percentage of the existing issued share capital of the Company	No. of Loan Shares	As a percentage of the existing issued share capital of the Company
Liew Sen Keong	42,700,000	33.56%	16,000,000	12.58%

4. ABOUT THE PLACEES

Details of each Placee are as follows:

Name of Placee	Details
Kaedjohare Ismail Chechatwala	A high net worth investor
Asian Trust Investment Pte. Ltd.	Principally engaged in renting out its investment properties for rental income. The company's directors and shareholders are Mr. Pai Keng Pheng and Mr. Pai Kheng Hian
Pei Sim Kwee	A high net worth investor
Peck Chuan Yong	A high net worth investor
Ponnampalam Sivakumar	A high net worth investor
Foo Sea Keng	A high net worth investor
Patricia Lim Kai Chi	A high net worth investor
Sim Siew Tin, Carol	A high net worth investor
Lim Yao Rong, Rachel	A high net worth investor

The Placees have no connection (including business relationships) with the Company, its Directors and substantial shareholders, and is not a person to whom the Company is prohibited from issuing shares to, as provided under Rule 812 Section B: Rules of Catalist of the SGX-ST (the "**Catalist Rules**"). As at the date of this announcement, save for Foo Sea Keng who holds 100,000 Shares (representing approximately 0.1% of the issued share capital of the Company), the Placees do not hold any Shares in the Company.

The Placement Shares are placed to the Placees as they have indicated an interest to invest in the Company, and the Placement Shares are issued purely for the purposes of investment by the Placees.

The Placees were independently introduced to the Company by Binah Pte Ltd (the “**Introducer**”). The sole director and shareholder of the Introducer is Mr. Foo Sek Kuan. Mr. Foo was an accountant by profession and was previously with several international corporations holding a multitude of positions.

A placement commission of 7% of the Total Consideration, or an aggregate commission of S\$283,360, is payable by the Company to the Introducer.

5. INFORMATION REQUIRED PURSUANT TO RULE 810(2) OF THE CATALIST RULES

The Company’s rationale for placing to the Placees is to raise additional funds for general working capital purposes, which is set out in greater detail in paragraph 7 below.

6. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT

The financial effects of the Proposed Placement set out below are strictly for illustrative purposes only and do not purport to be indicative or a projection of the results and financial position of the Company and the Group after the Proposed Placement. The table below sets out the financial effects of the Proposed Placement based on the following bases and assumptions:-

- (a) the audited consolidated financial statements of the Group for the full year ended 31 December 2012 (“**FY2012**”);
- (b) the financial impact on the consolidated net tangible assets (“**NTA**”) per Share is computed based on the assumption that the Proposed Placement was completed on 31 December 2012; and
- (c) the financial impact on the consolidated earnings per Share (“**EPS**”) is computed based on the assumption that the Proposed Placement was completed on 1 January 2012.

	Before completion of Proposed Placement FY2012	After completion of Proposed Placement FY2012
Share Capital		
Paid-up share capital (S\$'000)	12,890	16,938
No. of Shares	127,220,000	171,220,000
NTA (S\$'000)	7,367	11,415
NTA per share (Singapore cents)	5.79	6.67

EPS (Singapore cents)	(1.47)	(1.09)
------------------------------	--------	--------

7. USE OF PROCEEDS

Based on the Placement Price, the estimated amount of proceeds from the issuance and allotment of the Placement Shares pursuant to the Proposed Placement (net of estimated expenses of approximately S\$330,000) will be approximately S\$3,718,000 (“**Net Proceeds**”).

The Company intends to use 100% of the Net Proceeds from the Subscription (after deducting expenses relating thereto) for general working capital purposes, which includes general and administration expenses, payments to suppliers and funds for the proposed upgrading of the Group’s financial grading with the Building and Construction Authority (“**BCA**”) for building development from A2 to A1 which will allow the Group to tender for larger Government projects.

The Company will make periodic announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when the Net Proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds raised from the Proposed Placement in the Company’s interim and full year financial statements issued under Rule 705 of the Catalist Rules and the Company’s annual report. Where the Net Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied in the announcements and the status report. Where there is any material deviation from the stated use of Net Proceeds, the Company will announce the reasons for such deviation.

Pending the deployment of the Net Proceeds from the Proposed Placement, such proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may deem fit, from time to time.

8. CHANGE IN SHAREHOLDING INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

Pursuant to the completion of the Proposed Placement, the Company’s issued and paid-up share capital will increase from 127,220,000 Shares to 171,220,000 Shares (the “**Enlarged Share Capital**”).

The Placement Shares represent approximately 25.70% of the Enlarged Share Capital.

The Company’s substantial shareholders’ shareholdings in the Company before and after the completion of the Proposed Placement based on the substantial shareholders’ shareholdings as at 31 May 2013 are set out below:

Before the Proposed Placement⁽¹⁾		After the Proposed Placement⁽²⁾	
Direct	Deemed	Direct	Deemed

	Before the Proposed Placement ⁽¹⁾		After the Proposed Placement ⁽²⁾	
	%	%	%	%
Liew Sen Keong	33.56	4.64 ⁽³⁾	24.94	3.45 ⁽³⁾
Chan Pui Yee	4.64	38.20 ⁽⁴⁾	3.45	28.38 ⁽⁴⁾
Chan Tien Chih	4.64	4.64 ⁽⁵⁾	3.45	3.45 ⁽⁵⁾
Hengfai Business Development Pte. Ltd. (formerly known as Hengfai Strategic Investment Pte. Ltd.)	27.51	-	20.44	-
Chan Heng Fai Ambrose	-	27.51 ⁽⁶⁾	-	20.44 ⁽⁶⁾

Notes:

- (1) Based on the Company's issued and paid-up share capital of 127,220,000 Shares.
- (2) Based on the Company's enlarged issued and paid-up share capital of 171,220,000 Shares.
- (3) Chan Pui Yee is the spouse of Liew Sen Keong. Accordingly, Liew Sen Keong and Chan Pui Yee are each deemed to be interested in the other's respective shareholdings.
- (4) Chan Pui Yee is the sister of Chan Tien Chih. Accordingly, Chan Pui Yee and Chan Tien Chih are each deemed to be interested in the other's respective shareholdings.
- (5) Chan Tien Chih is the brother of Chan Pui Yee and is the brother-in-law of Liew Sen Keong.
- (6) Chan Heng Fai Ambrose is a director and sole shareholder of Hengfai Business Development Pte. Ltd. and is deemed interested in its shareholding.

Accordingly, there will be no transfer of a controlling interest in the Company pursuant to the completion of the Proposed Placement.

9. CONFIRMATION BY DIRECTORS

The Directors are of the opinion that after taking into consideration the present bank facilities available to the Group, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding this, the Company has decided to undertake the Proposed Placement to strengthen its financial position in order to meet its anticipated general working capital requirements.

10. GENERAL

Save as disclosed above, none of the Directors nor (in so far as the Directors of the Company are aware), any substantial shareholders of the Company or their

respective associates, have any interest, direct or indirect (other than their shareholdings in the Company), in the Proposed Placement.

In view of the Proposed Placement, shareholders of the Company and potential investors should exercise caution when trading in shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other advisors.

11. RESPONSIBILITY STATEMENT

The Directors of the Company have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

12. DOCUMENT AVAILABLE FOR INSPECTION

Copies of the Placement Documents are available for inspection at the Company's registered office at 64 Woodlands Industrial Park E9, Singapore 757833 during normal business hours for a period of three (3) months commencing from the date of this announcement.

(B) UPDATE ON USE OF PROCEEDS FROM THE PREVIOUS PLACEMENT OF 35,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF CCM GROUP LIMITED TO HENGFAI BUSINESS DEVELOPMENT PTE LTD (FORMERLY KNOWN AS HENGFAI STRATEGIC INVESTMENT PTE LTD) ("PREVIOUS PLACEMENT")

Further to the announcements made by the Board of Directors of the Company on 12 April 2013, 22 April 2013, 24 April 2013, 29 April 2013 and 5 June 2013 in connection with the Previous Placement undertaken by the Company which was completed on 26 April 2013, the Company wishes to update shareholders on the use of the proceeds raised by the Company from the Previous Placement.

As of 5 June 2013, the Company has fully utilised the entire net proceeds of approximately S\$2,749,500 raised from the Previous Placement to increase its investment in its wholly-owned subsidiary, CCM Industrial Pte Ltd ("**CIPL**"), to facilitate the proposed upgrading of CIPL's financial grading with the BCA. CIPL has subsequently utilised the net proceeds of approximately S\$2,749,500 for general working capital purposes as follows:

	Amount utilised
	S\$'000
General and administration expenses	529
Payment to suppliers	2,220

BY ORDER OF THE BOARD

Liew Sen Keong
Executive Chairman and CEO

5 June 2013

This announcement 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 Sponsor has not independently verified the contents of this announcement.

This announcement 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 announcement.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 6229 8088.