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China Lumena New Materials Corp.

中国旭光新材料集团有限公司

CHINA LUMENA NEW MATERIALS CORP.

(In Provisional Liquidation)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 67)

PROPOSED RESTRUCTURING

INVOLVING, INTER ALIA,

- (1) PROPOSED CAPITAL REORGANISATION;**
 - (2) CREDITORS SCHEMES;**
 - (3) PROPOSED OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY ONE NEW SHARE HELD ON THE OPEN OFFER RECORD DATE;**
 - (4) PROPOSED SUBSCRIPTION OF SUBSCRIPTION SHARES UNDER SPECIFIC MANDATE;**
 - (5) VERY SUBSTANTIAL ACQUISITION**
- IN RELATION TO THE ACQUISITION OF THE TARGET GROUP;**
- (6) REVERSE TAKEOVER INVOLVING A NEW LISTING APPLICATION; AND**
 - (7) APPLICATION FOR WHITEWASH WAIVER**

Financial Adviser to the Company



ASIAN CAPITAL
(CORPORATE FINANCE) LIMITED

卓亞(企業融資)有限公司

THE PROPOSED RESTRUCTURING

On 23 September 2016, the Company entered into the Restructuring Framework Agreement with the Investors, pursuant to which the Company will implement a restructuring of the Company's equity and debt.

Pursuant to the Restructuring Framework Agreement, the Company will carry out the Proposed Restructuring which comprises: (i) the Capital Reorganisation; (ii) the Creditors Schemes; (iii) the Open Offer; (iv) the Subscription; and (v) the Acquisition.

Following the entering into of Restructuring Framework Agreement, the Company submitted the Resumption Proposal to the Stock Exchange before the expiry of the third delisting stage to seek resumption of trading of the Company's Shares. On 24 October 2016, the Company received a letter of even date from the Stock Exchange, which stated that the Stock Exchange agreed to allow the Company to submit a new listing application relating to the Resumption Proposal (but not any other proposal) on or before 31 March 2017. If the Company fails to submit a new listing application by 31 March 2017, or the transactions proposed in the Resumption Proposal fail to proceed for any reason, the Stock Exchange will proceed with cancelling the Company's listing on the Stock Exchange.

PROPOSED CAPITAL REORGANISATION

The Company proposes to implement, subject to the approval by the Shareholders, the Capital Reorganisation. The Capital Reorganisation will comprise the Share Consolidation, the Authorised Share Capital Cancellation and the Authorised Share Capital Increase. Further announcement(s) will be made by the Company as and when appropriate.

CREDITORS SCHEMES

Pursuant to the terms of the Restructuring Framework Agreement, it is proposed that the Creditors Schemes will be implemented after approval being granted by the High Court, the Grand Court and the Creditors. As of the date of this announcement, based on the available books and records of the Company or on claims made by the Creditors, the Company has claims of approximately US\$980 million. This figure is indicative only and will be subject to final determination by the Scheme Administrators and (if applicable) adjudication under the Creditors Schemes.

Upon completion of the Creditors Schemes, all the claims of the Creditors against the Company, and liabilities of the Company will be discharged and released in full. All existing assets of the Group will be transferred to the Scheme Company or Scheme Administrators of the Creditors Schemes, such that the only assets of the Company will be the Target Group on Completion.

THE OPEN OFFER

Subject to the Capital Reorganisation becoming effective, the Company will implement the Open Offer of New Shares on the basis of one Offer Share for every New Share held on the Open Offer Record Date by the Qualifying Shareholders. A total of 560,385,939 Offer Shares will be allotted and issued by the Company at the Offer Price of HK\$0.08 cash for each Offer Share and the gross proceeds raised via the issuance of the Offer Shares will be approximately HK\$44.8 million. The Open Offer is only available to Qualifying Shareholders. Further announcement on the timetable for the Open Offer will be made by the Company as and when appropriate. The Open Offer will be conditional upon completion of the Proposed Restructuring. The Open Offer will be fully underwritten by an underwriter, being an Independent Third Party and not acting in concert with the Concert Group.

THE SUBSCRIPTION

Pursuant to the Restructuring Framework Agreement, the Subscribers will subscribe for 1,120,771,878 Subscription Shares at the price of HK\$0.08 per Subscription Shares for an aggregate subscription price of HK\$89.7 million.

As at the date of this announcement, no subscribers have been identified and no subscription agreement has been entered into. Further announcement(s) will be made as and when appropriate.

THE ACQUISITION

Under the Restructuring Framework Agreement, the Company will purchase the Sale Equity Interest from the Investors. Upon the completion of the Acquisition, the Target Group will become wholly owned subsidiaries of the Company.

The Consideration is approximately HK\$717.3 million and was arrived at after arm's length negotiations between the parties to the Restructuring Framework Agreement and was determined by reference to (i) the unaudited combined net asset value of the Target Group as at 31 December 2015; (ii) the profitability of the Target Group based on the unaudited financial information of the Target Group provided by the Investors; (iii) the business prospects of the Target Group; and (iv) the prolonged suspension of trading of Shares of the Company.

The Consideration shall be satisfied by the issuance and allotment of 8,966,175,024 Consideration Shares at the Consideration Price of HK\$0.08 each upon the completion of the Acquisition.

The completion of the Subscription, the Acquisition and the Open Offer, which form part of the Proposed Restructuring, will be inter-conditional to each other.

IMPLICATIONS UNDER THE LISTING RULES

The Acquisition constitutes a very substantial acquisition and a reverse takeover for the Company under Chapter 14 of the Listing Rules and therefore is subject to the reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules and approval of the new listing application of the Company by the Listing Committee.

As the Open Offer will increase the issued share capital of the Company by more than 50%, pursuant to Rule 7.24(5) of the Listing Rules, the Open Offer will be subject to the approval by the Shareholders at the EGM by way of poll. The Existing Substantial Shareholder is interested in 1,875,846,510 Shares, representing approximately 33.5% of the issued share capital of the Company as at the date of this announcement, and will abstain from voting in favour of the resolution(s) to be proposed at the EGM to consider and, if thought fit, approve the Open Offer.

Save as disclosed above, none of the other Shareholders and its associates have to abstain from voting on any resolutions to be proposed at the EGM.

The Company will apply to the Stock Exchange for the listing of and permission to deal in the Offer Shares, the Consideration Shares and the Subscription Shares.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Whitewash Waiver

As at the date of this announcement, the Concert Group does not own or control any existing Shares, convertible securities, warrants, options or derivatives in respect of the existing Shares. Upon the Completion, the Concert Group will, in aggregate, hold approximately 80.0% of the share capital of the Company after the Capital Reorganisation and as enlarged by the Offer Shares, the Subscription Shares and the Consideration Shares.

As such, the Concert Group would be required to make a mandatory general offer for all the issued shares of the Company (not already owned or agreed to be acquired by the Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

The Investors will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll, in which parties of the Concert Group and those who are involved in or interested in the Proposed Restructuring will abstain from voting on the relevant resolution(s). The Executive may or may not grant the Whitewash Waiver. If the Whitewash Waiver is not granted, the Restructuring Framework Agreement will terminate forthwith.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Currently, the Company has no non-executive directors or independent non-executive directors. As such, no independent board committee could be formed to make recommendations to the Independent Shareholders in respect of voting on the resolutions to approve the Capital Reorganisation, the Open Offer, the Subscription, the Creditors Schemes, the Whitewash Waiver, and the Acquisition contemplated under the Restructuring Framework Agreement by way of a poll at the EGM.

The Company will appoint an independent financial adviser to advise the Independent Shareholders in accordance with the requirements under the Listing Rules and the Takeovers Code on such matters. Further announcement(s) will be made by the Company upon the appointment of the independent financial adviser.

EXPECTED DATE OF DESPATCH OF THE CIRCULAR AND APPLICATION FOR WAIVER FROM STRICT COMPLIANCE WITH THE TAKEOVERS CODE AND THE LISTING RULES

The Circular containing, among other things, (i) details of the Acquisition; (ii) information about the Open Offer; (iii) information about the Subscription; (iv) information about the business of the Target Group; (v) the Whitewash Waiver; (vi) a letter of advice from the independent financial adviser to the Independent Shareholders; and (vii) a notice of EGM, will be despatched to the Shareholders as soon as possible.

The Company will despatch the Circular in accordance with the applicable requirements under the Listing Rules and the Takeovers Code.

Under Rule 14.60(7) of the Listing Rules, the Company is required to despatch a circular in relation to a very substantial acquisition within 15 Business Days after the publication of the announcement. Under Rule 8.2 of the Takeovers Code, the Company is required to despatch to Shareholders a circular in respect of, amongst others, the Whitewash Waiver within 21 days from the date of publication of this announcement, that is, on or before 9 March 2017.

As the Company's new listing application is subject to approval by the Stock Exchange, it is expected that more time may be needed for the Stock Exchange to approve the Company's new listing application and for the preparation of the Circular, which is expected to be despatched on or before 31 July 2017.

As such, the Company will apply to the Executive pursuant to Rule 8.2 of the Takeovers Code for its consent to extend the time limit for the despatch of the Circular and the Company will make further announcement on the expected date of such despatch of the Circular.

Shareholders and potential investors should note that the Acquisition, the Open Offer, the Subscription, the Whitewash Waiver and the Creditors Schemes are subject to various conditions which may or may not be fulfilled, in particular, whether the Stock Exchange will allow the Acquisition and accompanying transactions to proceed. There is therefore no assurance that any of these transactions will proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Dealing in the shares of the Company on the Main Board of the Stock Exchange has been suspended since 25 March 2014 and will remain suspended until further notice.

The publication of this announcement does not indicate any decision or conclusion from the Stock Exchange nor warrant any approval from the Stock Exchange on the resumption of trading in Shares. The Company will keep the public informed of the latest development by making further announcements as and when appropriate.

RESTRUCTURING FRAMEWORK AGREEMENT

On 23 September 2016, the Company entered into the Restructuring Framework Agreement with the Investors pursuant to which the Company will implement: (i) the Capital Reorganisation; (ii) the Creditors Schemes; (iii) the Open Offer; (iv) the Subscription; and (v) the Acquisition, details of which are set out below:

Parties to the Restructuring Framework Agreement

- (i) the Company, being the purchaser;
- (ii) the Investors, being the vendors; and
- (iii) the Provisional Liquidators

The Investors are Independent Third Parties.

Following the entering into of Restructuring Framework Agreement, the Company submitted the Resumption Proposal to the Stock Exchange before the expiry of the third delisting stage to seek resumption of trading of the Company's Shares. On 24 October 2016, the Company received a letter of even date from the Stock Exchange, which stated that the Stock Exchange agreed to allow the Company to submit a new listing application relating to the Resumption Proposal (but not any other proposal) on or before 31 March 2017. If the Company fails to submit a new listing application by 31 March 2017, or the transactions proposed in the Resumption Proposal fail to proceed for any reason, the Stock Exchange will proceed with cancelling the Company's listing on the Stock Exchange.

Conditions precedent of the Restructuring Framework Agreement

Completion of the Proposed Restructuring pursuant to the Restructuring Framework Agreement is conditional upon the fulfilment of, among others, the following conditions:

- (a) the Creditors Schemes becoming effective;
- (b) passing of the resolutions at the EGM by the Independent Shareholders approving:
 - a. the Capital Reorganisation;
 - b. the transactions contemplated under the Restructuring Framework Agreement being implemented;
 - c. the Open Offer;
 - d. the Subscription;
 - e. the Creditors Schemes;
 - f. the Whitewash Waiver; and
 - g. any other necessary decisions to carry out transactions made under the Restructuring Framework Agreement.
- (c) the Whitewash Waiver having been granted by the Executive and such Whitewash Waiver not having been subsequently revoked or withdrawn;
- (d) the listing of and permission to deal in all of the New Shares of the Company;
- (e) the Resumption Proposal having been submitted to the Stock Exchange and the approval in-principle having been received from the Stock Exchange;
- (f) the deemed new listing application of the Company having been submitted to the Stock Exchange and the approval for the listing application having been granted by the Listing Committee; and
- (g) the Ordinary Shares or the New Shares (as the case may be) of the Company remaining listed on the Main Board of the Stock Exchange.

None of the conditions set out above is waivable by the Company or the Investors. If any of those Conditions Precedent are not satisfied on or before the Long Stop Date, the Restructuring Framework Agreement shall be terminated forthwith unless otherwise agreed by both the Company and the Investors in writing.

Restructuring Costs

Pursuant to the Restructuring Framework Agreement, all costs and expenses of the Company and the fees of the Provisional Liquidators in and about the finalisation and/or implementation of the Restructuring Framework Agreement, which are estimated at HK\$35 million, shall be borne by the Investors.

The Provisional Liquidators will make an application to the Grand Court seeking sanction to repay any sums paid by the Investors in satisfaction of the costs and expenses, such repayment to be made out of the proceeds of the Open Offer.

PROPOSED CAPITAL REORGANISATION

Pursuant to the Restructuring Framework Agreement, the Company proposes to implement, subject to the approval by the Shareholders, the Capital Reorganisation. The Capital Reorganisation will comprise:

- (i) the Share Consolidation – the consolidation of every ten (10) Shares of US\$0.00001 each into one (1) Consolidated Share of US\$0.0001;
- (ii) the Authorised Share Capital Cancellation – all the existing authorised but un-issued shares will be cancelled in its entirety; and
- (iii) the Authorised Share Capital Increase – upon the Authorised Share Capital Cancellation becoming effective, the Company's authorised share capital will be increased from approximately US\$100,000 following completion of the Authorised Share Capital Cancellation and Share Consolidation to US\$2,000,000, divided into 20,000,000,000 New Shares of US\$0.0001 each.

Fractional New Shares arising from the Capital Reorganisation will be disregarded and will not be issued to the Shareholders but all such fractional New Shares will be aggregated and, if possible, sold for the benefit of the Company.

Effects of the Capital Reorganisation

Other than the relevant expenses incurred, the implementation of the Capital Reorganisation will not, by itself, alter the underlying assets, liabilities, businesses, operations, management or financial position of the Company and the Group or the rights of the Shareholders.

The following table sets out the effect of the Capital Reorganisation on the share capital of the Company, before and after completion of the Capital Reorganisation:

	Immediately before the Capital Reorganisation	Immediately after the Capital Reorganisation
Nominal value	US\$0.00001 per Share	US\$0.0001 per Share
Authorised share capital	US\$100,000	US\$2,000,000
Number of issued and paid-up shares	5,603,859,393	560,385,939

Status of the New Shares after the Capital Reorganisation

The New Shares after the Capital Reorganisation will be identical and rank *pari passu* in all respects with each other.

Conditions precedent of the Capital Reorganisation

The implementation of the Capital Reorganisation and the listing of the New Shares are conditional upon:

- (i) the passing of the necessary resolutions by the Shareholders by way of poll at the EGM to approve the Capital Reorganisation;
- (ii) the Grand Court granting an order confirming the Capital Reorganisation;
- (iii) the registration by the Registrar of Companies in the Cayman Islands of a copy of the Grand Court order and the minutes containing the particulars required under the Companies Law;
- (iv) compliance with any conditions imposed by the Grand Court; and
- (v) the Listing Committee granting the listing of, and permission to deal in, the New Shares in issue upon the Capital Reorganisation becoming effective.

Listing and dealings

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the New Shares in issue arising from the Capital Reorganisation. Subject to the granting of the listing of, and the permission to deal in, the New Shares on the Stock Exchange, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the equity or debt securities of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal in is being or is currently proposed to be sought from any other stock exchange.

Expected effective date of the Capital Reorganisation

Upon the conditions mentioned above being fulfilled, the Capital Reorganisation will become effective immediately after the registration of the Grand Court order and the minutes as referred to in condition (iii) above. An application will be made to the Grand Court for the approval of the Capital Reorganisation as soon as practicable.

Further announcement(s) will be made to inform the Shareholders of the progress of the matter, including the proposed timetable, and the arrangements of the free exchange of the New Share certificates for the existing Share certificates, as and when appropriate.

Reasons for the Capital Reorganisation

The Company considers that the Capital Reorganisation will give greater flexibility to the Company to raise funds through the issue of New Shares in the future.

The Capital Reorganisation is subject to the approval of the Shareholders at the EGM and the Capital Reorganisation becoming effective is also one of the conditions precedent under the Restructuring Framework Agreement.

THE OPEN OFFER

To enable the existing Shareholders to participate in the Proposed Restructuring, the Company proposes the Open Offer on the basis of one (1) Offer Share for every one (1) Consolidated Share held by the Qualifying Shareholders on the Open Offer Record Date. A total of 560,385,939 Offer Shares will be allotted and issued by the Company to the Qualifying Shareholders and/or the underwriter of the Open Offer at the Offer Price of HK\$0.08 for each Offer Share. The Open Offer will be conditional upon the Capital Reorganisation becoming effective.

Number of the Consolidated Shares

The terms of the proposed Open Offer are set out below:

Issue statistics

Basis of the Open Offer	:	one (1) Offer Share for every one (1) Consolidated Share held by the Qualifying Shareholders on the Open Offer Record Date
Open Offer Price	:	HK\$0.08 per Offer Share payable in full upon application
Number of Consolidated Shares expected to be in issue as at the Open Offer Record Date	:	560,385,939 Consolidated Shares
Number of Offer Shares	:	560,385,939 Offer Shares
Enlarged issued share capital upon the completion of the Open Offer	:	1,120,771,878 Consolidated Shares
Gross proceeds from the Open Offer	:	Approximately HK\$44.8 million

As at the date of this announcement, the issued share capital of the Company comprises 5,603,859,393 Shares and, other than the Convertible Bonds due in 2014, the Company does not have any options, warrants or convertible securities in issue.

The 560,385,939 Offer Shares to be allotted and issued at the Open Offer Price of HK\$0.08 each represent:

- (i) approximately 10% of the existing issued share capital of the Company;
- (ii) approximately 100% of the issued shares of the Company upon the completion of the Capital Reorganisation;
- (iii) approximately 50% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issuance of the Offer Shares;
- (iv) approximately 25% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issuance of the Offer Shares and the Subscription Shares; and
- (v) approximately 5% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issuance of the Offer Shares, the Subscription Shares and the Consideration Shares.

The Offer Price of HK\$0.08 each represents a discount of approximately 99.36% to the theoretical quoted price of HK\$12.5 per New Share (the quoted price of HK\$1.25 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 24 March 2014, being the last trading day before the suspension of trading in the Shares since 25 March 2014.

The Offer Price was determined by the Company, after taking into account (i) the financial performance and financial position of the Group; and (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 25 March 2014.

Qualifying Shareholders and no application for excess Offer Shares

The invitation to subscribe for Offer Shares to be made to the Qualifying Shareholders will not be transferable. The Qualifying Shareholders will not be entitled to subscribe for any Offer Share in excess of their respective entitlements. Considering that each Qualifying Shareholder will be given an equal and fair opportunity to participate in the Company's future development by subscribing for their entitlement under the Open Offer, the Provisional Liquidators and the Company are of the view that additional effort and costs will not be justified for administrating excess application procedures.

Status of the Offer Shares

The Offer Shares (when fully paid and allotted) will rank *pari passu* in all respects among themselves, including all rights to dividends or distributions, which may be declared, made or paid by the Company, as well as rights to voting and interest in capital. They will also rank *pari passu* in all respects with the New Shares in issue (after the Capital Reorganisation becomes effective) as at the date of allotment and issuance of the Offer Shares.

Others

The Company has published announcements in respect of the Proposed Restructuring in order to update all Shareholders of the Company. Since the appointment of the Provisional Liquidators, the Provisional Liquidators have not succeeded in making contact with the Existing Substantial Shareholder in respect of the Proposed Restructuring. Based on the information available, the Existing Substantial Shareholder is not a member of the Concert Group and is not involved in, or interested in any of the transactions contemplated by the Restructuring Framework Agreement including the Open Offer, the Subscription, the Acquisition and/or the Whitewash Waiver, other than solely in his capacity as a Shareholder as at the date of this announcement. Hence, the Existing Substantial Shareholder is an Independent Shareholder. As at the date of this announcement, the Company has not received any information from the Existing Substantial Shareholder of its intention to take up the Offer Shares under the Open Offer.

Fractions of Offer Shares will not be allotted to Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number of Offer Shares. Any Offer Shares created from the aggregation of fractions of Offer Shares will be aggregated and taken up by the underwriter in accordance with the underwriting agreement.

The Offer Shares, the Subscription Shares and the Consideration Shares will be issued pursuant to a specific mandate to be obtained upon approval by the Shareholders, or Independent Shareholders, as the case may be, at the EGM.

An underwriter will be appointed, being an Independent Third Party and not acting in concert with the Concert Group, to fully underwrite the Offer Shares. It is expected that the underwriting agreement will be executed prior to the despatch of the Circular and details of the underwriting agreement will be set out in the Circular. The Company will make further announcement as soon as the underwriting agreement is executed.

THE SUBSCRIPTION

Pursuant to the Restructuring Framework Agreement, the Subscriber(s), who are not Shareholder(s) and are third parties independent of, and not connected with, the Company and its connected persons, and are not acting in concert with the Concert Group, to be identified and procured through an independent placing agent to be appointed, will subscribe for 1,120,771,878 Subscription Shares at the price of HK\$0.08 per Subscription Share for an aggregate subscription price of HK\$89.7 million.

The completion of the Subscription, the Acquisition and the Open Offer, which form part of the Proposed Restructuring, will be inter-conditional to each other.

The 1,120,771,878 Subscription Shares to be allotted and issued at the Subscription Price of HK\$0.08 each represent:

- (i) approximately 20% of the existing issued share capital of the Company;
- (ii) approximately 200% of the issued shares of the Company upon the completion of the Capital Reorganisation;

- (iii) approximately 100% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issuance of the Offer Shares;
- (iv) approximately 50% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issuance of the Offer Shares and the Subscription Shares; and
- (v) approximately 10% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issuance of the Offer Shares, the Subscription Shares and the Consideration Shares.

The Subscription Price of HK\$0.08 each represents a discount of approximately 99.36% to the theoretical quoted price of HK\$12.5 per New Share (the quoted price of HK\$1.25 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 24 March 2014, being the last trading day before the suspension of trading in the Shares since 25 March 2014; and

The Subscription Price was determined after arm's length negotiations, taking into account (i) the financial performance and financial position of the Group; and (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 25 March 2014.

The Offer Shares, the Subscription Shares and the Consideration Shares will be issued pursuant to a specific mandate to be obtained upon approval by the Shareholders, or Independent Shareholders, as the case may be, at the EGM.

As at the date of this announcement, no subscribers have been identified and no subscription agreement has been entered into. Further announcement(s) will be made when the parties have entered into the subscription agreements.

THE CREDITORS SCHEMES

As at the date of this announcement, the Company has an estimated total amount of claims of approximately US\$980 million. This indebtedness figure is indicative only and the claims of the Creditors will be subject to final determination by the Scheme Administrators and (if applicable) adjudication under the Creditors Schemes.

As at the date of this announcement, none of the existing Creditors of the Company are known to be Shareholders of the Company, nor have any known Creditors of the Company indicated their intention to become Shareholders of the Company. The existing Creditors of the Company are Independent Third Parties, are not existing shareholders of the Company and are not acting in concert with the Concert Group as at the date of this announcement.

Upon the Creditors Schemes being implemented, all Creditors Claims against the Company will be settled in full and fully discharged of their claims at a rateable distribution (after deduction of costs) from (a) the amount of HK\$90 million payable as the Creditors Schemes Consideration, which shall be borne by the Investors; and (b) such other sums as may be realised by the Scheme Administrators from the existing assets of the Group which shall be transferred in full to the Scheme Company or the Scheme Administrators on Completion with, or subject to, any modification, addition or conditions approved or imposed by the High Court and the Grand Court.

All existing assets of the Group, including the Scheme Subsidiaries, will be transferred to the Scheme Company or the Scheme Administrators of the Creditors Schemes such that the only assets of the Company will be the Target Group on Completion.

Subject to any approvals/consents or sanctioning by the High Court and the Grand Court in respect of the Creditors Schemes (as necessary) having been obtained, the Creditors Schemes will become legally binding on the Company and its creditors upon fulfillment of the conditions to be set out in the Restructuring Framework Agreement and upon the filing of the orders of the High Court and the Grand Court with the relevant companies registries in Hong Kong and the Cayman Islands respectively. As of the date of this announcement, the Creditors Schemes have not come into effect.

REASONS FOR AND BENEFITS OF THE OPEN OFFER AND THE SUBSCRIPTION AND THE USE OF PROCEEDS

The Open Offer and the Subscription form part of the Resumption Proposal seeking the resumption of trading in the Shares, which has been suspended since 25 March 2014.

The gross proceeds from the Open Offer and the Subscription are expected to amount to HK\$134.5 million. The proceeds in the sum of HK\$90 million will be paid into the Creditors Scheme and after deducting the professional fees and expenses in the sum of approximately HK\$35 million, the balance shall be retained as the working capital of the Company after the Completion.

CHANGE OF PRINCIPAL BUSINESS ACTIVITIES OF THE GROUP AFTER RESUMPTION

After completion of the Acquisition, the principal business activities of the Group as enlarged will be changed to manufacturing and sales of precast concrete wall panel systems and the sales of related accessories.

THE ACQUISITION

Pursuant to the Restructuring Framework Agreement, the Company will acquire the Sale Equity Interest. Set out below are the salient terms of the Acquisition:

Parties to the Acquisition

- (i) the Company, being the purchaser;
- (ii) the Investors, being the vendors; and
- (iii) the Provisional Liquidators

The Investors are Independent Third Parties. The Investors have also confirmed to the Company that no member of the Concert Group is acting in concert with any of the Subscribers and their respective associates. The Subscribers are third parties independent of the Company, its connected person and the Investors.

Asset to be acquired

Upon completion of the reorganisation of the Target Group, the Target will become the holding company of the Target Group. The asset to be acquired under the Restructuring Framework Agreement is the Sale Equity Interest, being the entire equity interest of the Target. Upon the completion of the Acquisition, the Target will become a wholly owned subsidiary of the Company.

Consideration

The Consideration is approximately HK\$717.3 million and was arrived at after arm's length negotiations between the parties to the Restructuring Framework Agreement and was determined by reference to (i) the unaudited combined net asset value of the Target Group as at 31 December 2015; (ii) the profitability of the Target Group based on the unaudited financial information of the Target Group provided by the Investors; (iii) the business prospects of the Target Group; and (iv) the prolonged suspension of trading of Shares of the Company.

Based on the unaudited financial information of the Target Group as at 31 December 2015, it had a combined net asset valued approximately SGD 17.6 million (equivalent to approximately HK\$100.4 million). For the year ended 31 December 2014 and 31 December 2015, the Target Group recorded an unaudited net profit of SGD 5.9 million (equivalent to approximately HK\$33.7 million) and SGD 8.3 million (equivalent to approximately HK\$47.4 million) respectively.

The Company would like to draw to the attention of the Shareholders and potential investors that the above unaudited financial information in relation to the Target Group does not meet the standard required by Rule 10 of the Takeovers Code and is subject to review by the reporting accountants of the Company and therefore subject to changes. Shareholders and potential investors should exercise caution in placing reliance on the above information in assessing the merits and demerits of the Acquisition and any other transactions disclosed in this announcement. The audited financial information will be included in the Circular. For more information, please refer to the section headed "Financial Information of the Target Group" in this announcement.

Based on the information provided by the Investors, the market for the industry of the precast concrete wall panels is a significant component of the construction industry in Singapore and building materials such as precast concrete wall panels are commonly used in construction projects and, as such, the demand for building materials is positively correlated with the demand for construction projects.

Taking the above into consideration and in view of the current status of the Company, the Company is of the view that the Consideration of the Acquisition is fair and reasonable with reference to the total benefit attributed to the Shareholders.

The Consideration shall be satisfied by the issuance and allotment of 8,966,175,024 Consideration Shares at the Consideration Price of HK\$0.08 each upon the completion of the Acquisition.

The 8,966,175,024 Consideration Shares to be allotted and issued at the Consideration Price of HK\$0.08 each represent:

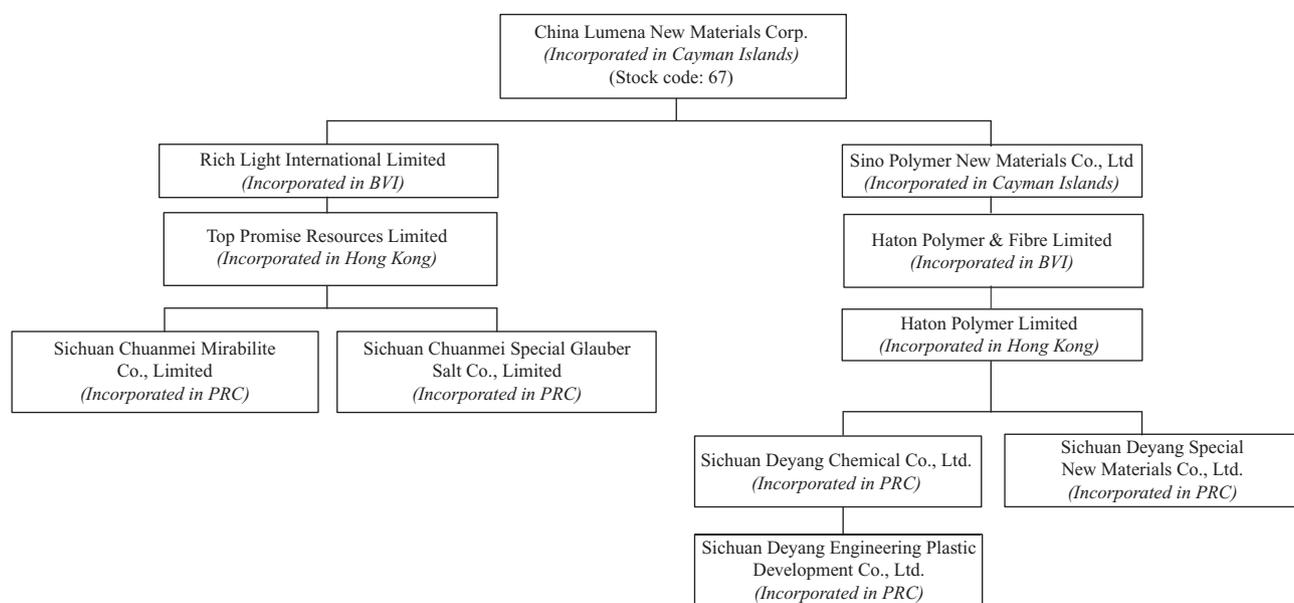
- (i) approximately 1600% of the issued shares of the Company upon the completion of the Capital Reorganisation;
- (ii) approximately 800% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares;
- (iii) approximately 400% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares and the Subscription Shares; and
- (iv) approximately 80% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares, the Subscription Shares and the Consideration Shares.

The Consideration Price of HK\$0.08 each represents a discount of approximately 99.36% to the theoretical quoted price of HK\$12.5 per New Share (the quoted price of HK\$1.25 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 24 March 2014, being the last trading day before the suspension of trading in the Shares since 25 March 2014.

The Consideration Price was determined after arm's length negotiations, taking into account (i) the financial performance and financial position of the Group; and (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 25 March 2014.

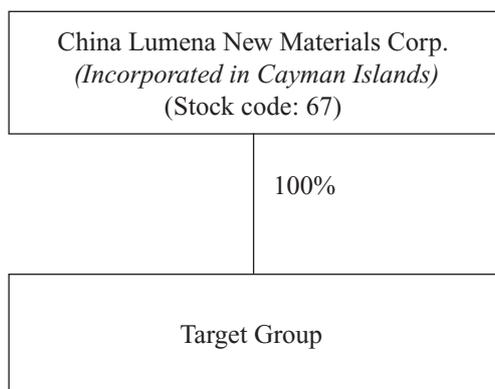
The Consideration Shares will be issued pursuant to a specific mandate to be obtained upon approval by the Independent Shareholders at the EGM.

ORGANISATIONAL STRUCTURE OF THE GROUP PRIOR TO THE RESTRUCTURING



Notes: all subsidiaries are wholly owned

ORGANISATIONAL STRUCTURE OF THE GROUP UPON THE COMPLETION OF THE ACQUISITION



Reasons for the Acquisition

The Acquisition forms part of the Resumption Proposal seeking the resumption of trading in the Shares, which has been suspended since 25 March 2014.

Upon the completion of the Acquisition, the Group will have a sufficient level of operation while the proceeds from the Open Offer will improve the financial and liquidity position of the Group. Details of the financial effects of the Proposed Restructuring which are set out in the section headed “Financial effects of the Proposed Restructuring” in this announcement.

The terms of the Acquisition are considered to be fair and reasonable and in the best interests of both the Company and its Shareholders as a whole.

PROPOSED APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

Upon Completion of the Proposed Restructuring and due to the change of principal business activities of the Group as enlarged it will be necessary for the Target Group to reconstitute the board of Directors, and all of the existing Directors will be replaced by new Directors with the necessary skills to manage the new business activities upon resumption. The new Directors are proposed to include the three proposed Directors, namely Mr. Boediman Widjaja, Ms. Insinirawati Limarto and Ms. Incunirawati Limarto immediately following completion of the Acquisition. It is also proposed that the management of the Company with the necessary skills to take responsibility for the day to day management of the Company will be the Investors, being Mr. Boediman Widjaja, Ms. Insinirawati Limarto, Ms. Incunirawati Limarto and Mr. Ng Eng Hong, Desmond.

Proposed Executive Directors

Mr. Boediman Widjaja (“Mr. Widjaja”), aged 54, is proposed to be appointed as an executive Director and the chairman of the Board immediately following completion of the Acquisition. Mr. Widjaja has extensive experience in distribution and international trading with multinational corporations in different countries. Mr. Widjaja is a shareholder of JOE Green Pte., JOE Green Precast and JOE Green Marketing Singapore. Mr. Widjaja is also a director of JOE Green Pte., JOE Green Precast, JOE Green Marketing Singapore and JOE Green Marketing Malaysia.

Ms. Insinirawati Limarto (“Ms. Lim”), aged 42, is proposed to be appointed as an executive Director of the Company immediately following completion of the Acquisition. Ms. Lim has extensive experience in management. Ms. Lim is a shareholder of JOE Green Pte., JOE Green Precast and JOE Green Marketing Malaysia. Ms. Lim is also a director of JOE Green Pte., JOE Green Precast, JOE Green Marketing Singapore and JOE Green Marketing Malaysia.

Ms. Incunirawati Limarto (“Ms. Limarto”), aged 43, is proposed to be appointed as an executive Director of the Company immediately following completion of the Acquisition. Ms. Limarto has extensive experience in sales and marketing. Ms. Limarto is a shareholder of JOE Green Marketing Malaysia and is responsible for the sales and marketing planning and development of the Target Group.

CONDITIONS PRECEDENT TO THE RESTRUCTURING FRAMEWORK AGREEMENT

Completion of the Acquisition is conditional upon the fulfilment of the conditions precedent of the Restructuring Framework Agreement as set out in the section headed “Conditions precedent of the Restructuring Framework Agreement” in this announcement.

The completion of the Subscription, the Acquisition and the Open Offer, which form part of the Proposed Restructuring, will be inter-conditional to each other.

Completion of the Acquisition and the issue and allotment for the Consideration Shares, Subscription Shares and Offer Shares will take place simultaneously.

CHANGE IN SHAREHOLDING STRUCTURE

The tables below set out the changes in the shareholding structure of the Company arising from the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition. For illustrative purposes only, two cases, which assume (A) all of the existing Shareholders take up their respective entitlements to the Offer Shares under the Open Offer; and (B) none of the existing Shareholders take up their respective entitlements to the Offer Shares under the Open Offer, are shown below.

Scenario A: Assuming all of the existing Shareholders take up their respective entitlements to the Offer Shares under the Open Offer ⁽¹⁾

	1		2		3		4		5		6		7	
	As at the Latest Practicable Date (Shares) %		Immediately after the completion of the Capital Reorganisation		Immediately after the completion of the Capital Reorganisation and the Open Offer ⁽²⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer and the Schemes ⁽³⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer, the Schemes and the Subscription ⁽²⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer, the Schemes, the Subscription and the Acquisition ⁽¹⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer, the Schemes, the Subscription, the Acquisition and restoration of public float	
	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%
Investor Group														
Investors	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	8,966,175,024	80.00%	8,405,789,085	75.00%
Sub-total	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	8,966,175,024	80.00%	8,405,789,085	75.00%
Substantial Shareholder														
Suo Lang Duo Ji	1,875,846,510	33.47%	187,584,651	33.47%	375,169,302	33.47%	375,169,302	33.47%	375,169,302	16.74%	375,169,302	3.35%	375,169,302	3.35%
Sub-total	1,875,846,510	33.47%	187,584,651	33.47%	375,169,302	33.47%	375,169,302	33.47%	375,169,302	16.74%	375,169,302	3.35%	375,169,302	3.35%
Public Shareholders														
China Investment Corporation	349,263,060	6.23%	34,926,306	6.23%	69,852,612	6.23%	69,852,612	6.23%	69,852,612	3.12%	69,852,612	0.62%	69,852,612	0.62%
Other existing public shareholders	3,378,749,823	60.29%	337,874,982	60.29%	675,749,964	60.29%	675,749,964	60.29%	675,749,964	30.15%	675,749,964	6.03%	675,749,964	6.03%
Subscribers	-	0.00%	-	0.00%	-	0.00%	-	0.00%	1,120,771,878	50.00%	1,120,771,878	10.00%	1,120,771,878	10.00%
Underwriter to the Open Offer	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Placees for the Public Float	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	560,385,939	5.00%
Sub-total	3,728,012,883	66.53%	372,801,288	66.53%	745,602,576	66.53%	745,602,576	66.53%	1,866,374,454	83.26%	1,866,374,454	16.65%	2,801,929,695	21.65%
Total	5,603,859,393	100.00%	560,385,939	100.00%	1,120,771,878	100.00%	1,120,771,878	100.00%	2,241,543,756	100.00%	11,207,718,780	100.00%	11,207,718,780	100.00%

Scenario B: Assuming none of the existing Shareholders take up their respective entitlements to the Offer Shares under the Open Offer ⁽¹⁾

	1		2		3		4		5		6		7	
	As at the Latest Practicable Date		Immediately after the completion of the Capital Reorganisation		Immediately after the completion of the Capital Reorganisation and the Open Offer ⁽²⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer and the Schemes ⁽³⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer, the Schemes and the Subscription ⁽³⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer, the Schemes, the Subscription and the Acquisition ⁽¹⁾		Immediately after the completion of the Capital Reorganisation, the Open Offer, the Schemes, the Subscription, the Acquisition and restoration of public float	
	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%	(Shares)	%
Investor Group														
Investors	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	8,966,175,024	80.00%	8,405,789,085	75.00%
Sub-total	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	8,966,175,024	80.00%	8,405,789,085	75.00%
Substantial Shareholder														
Suo Lang Duo Ji	1,875,846,510	33.47%	187,584,651	33.47%	187,584,651	16.74%	187,584,651	16.74%	187,584,651	8.37%	187,584,651	1.67%	187,584,651	1.67%
Sub-total	1,875,846,510	33.47%	187,584,651	33.47%	187,584,651	16.74%	187,584,651	16.74%	187,584,651	8.37%	187,584,651	1.67%	187,584,651	1.67%
Public Shareholders														
China Investment Corporation	349,263,060	6.23%	34,926,306	6.23%	34,926,306	3.12%	34,926,306	3.12%	34,926,306	1.56%	34,926,306	0.31%	34,926,306	0.31%
Other existing public shareholders	3,378,749,823	60.29%	337,874,982	60.29%	337,874,982	30.15%	337,874,982	30.15%	337,874,982	15.07%	337,874,982	3.01%	337,874,982	3.01%
Subscribers	-	0.00%	-	0.00%	-	0.00%	-	0.00%	1,120,771,878	50.00%	1,120,771,878	10.00%	1,120,771,878	10.00%
Underwriter to the Open Offer	-	0.00%	-	0.00%	560,385,939	50.00%	560,385,939	50.00%	560,385,939	25.00%	560,385,939	5.00%	560,385,939	5.00%
Placées for the Public Float	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	560,385,939	5.00%
Sub-total	3,728,012,883	66.53%	372,801,288	66.53%	933,187,227	83.26%	933,187,227	83.26%	2,053,959,105	91.63%	2,053,959,105	18.33%	2,614,345,044	23.33%
Total	5,603,859,393	100.00%	560,385,939	100.00%	1,120,771,878	100.00%	1,120,771,878	100.00%	2,241,543,756	100.00%	11,207,718,780	100.00%	11,207,718,780	100.00%

Notes:

- (1) For illustrative purpose only and may not occur in the above manner.
- (2) As the Subscription, the Acquisition and the Open Offer, which form part of the Proposed Restructuring are inter-conditional to each other, the completion of the Acquisition and the issue and allotment for the Consideration Shares, Subscription Shares and Offer Shares will take place simultaneously and therefore column 3 to 6 as shown in the change of the shareholding structure are for illustrative purposes and will not occur.
- (3) The Company (together with the Subscribers and/or the Investors) will take appropriate steps, which may include arrangement with a placing agent to place down a portion of the New Shares to other investors who are third parties independent of, and not connected with, the Company and its connected persons and are not acting in concert with the Concert Group, to ensure that the minimum public float as required under the Listing Rules is met upon the completion of the Acquisition or before the resumption of trading in Shares. Further announcement(s) will be made in relation to the arrangements, as and when appropriate.

- (4) Shareholders and public investors should note that the above changes in shareholding structure of the Company are for illustration purpose only and the actual change in the shareholding structure of the Company is subject to the underwriting agreement for the Open Offer.
- (5) The completion of the Open Offer, the Subscription and the Acquisition will take place simultaneously.
- (6) Certain percentages figures included in the above table are subject to rounding adjustments.

PLACING DOWN FOR FULFILLING THE MINIMUM PUBLIC FLOAT REQUIREMENT

The Company (together with the Subscribers and/or the Investors) will take appropriate steps to ensure the public float requirement is met at all times. This may include arrangements with a placing agent to place down a portion of the New Shares to other investors (who are third parties independent of, and not connected with, the Company and its connected persons, and are not acting in concert with the Concert Group) on a fully underwritten basis which takes place simultaneously with the completion of the Open Offer, the Subscription and the Acquisition. Further announcement(s) will be made in relation to the arrangements, as and when appropriate.

Upon the Completion, it is expected that not less than 2,801,929,695 Shares, representing approximately 25.0% of the issued share capital of the Company immediately after the completion of the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition, will be held in the hands of the public. Accordingly, the Company shall restore the 25% minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules.

FINANCIAL EFFECTS OF THE PROPOSED RESTRUCTURING

According to the Group's interim report for the six months ended 30 June 2013, the Group's total assets and liabilities as at 30 June 2013 were approximately RMB22.0 billion and approximately RMB6.8 billion million respectively, representing a net asset position of approximately RMB15.2 billion.

INFORMATION OF THE GROUP

The Company's principal activity is investment holding. The Group is principally engaged in the processing and sale of powder thenardite, specialty thenardite and medical thenardite and in the manufacture and sale of PPS products.

INFORMATION OF THE TARGET GROUP

The Target is a company incorporated in Hong Kong, which through a reorganization of the Target group will become the holding company of the Target Group.

Based on the information provided by the Investors, the Target Group is primarily engaged in the manufacturing and sales of light weight precast concrete wall panel systems and the sales of related accessories. The Target Group has four operating subsidiaries, namely JOE Green Pte., JOE Green Precast, JOE Green Marketing Singapore and JOE Green Marketing Malaysia.

History and background information of the Target Group

Based on the information provided by the Investors, the Target Group is a manufacturer of green light weight precast concrete wall panel systems for use in the building construction projects. It also sells the accessories related to its precast concrete wall panel systems. Headquartered in Singapore, the Target Group's manufacturing plant is presently located in Johor Bahru, Malaysia.

Major milestones

Set out below are the milestones of the Target Group in recent years

Year	Major milestones
2006	Acacio Concept Singapore Pte Ltd. was incorporated
2010	JOE Green Precast was incorporated
2011	Acacio Concept Singapore Pte Ltd was renamed as JOE Green Pte.
2013	JOE Green Marketing Malaysia was incorporated

Business of the Target Group

The Target Group's main business activities are manufacturing and sale of light weight precast concrete wall panel systems and the sale of related accessories. The Target Group's products are sold under the brand "JOE Green" in Singapore and Malaysia and are widely used in various completed commercial, industrial, residential and institution building construction projects in Singapore and Malaysia.

The Target Group manufactures both standardized and customized precast concrete wall panel systems with different specifications and functions subject to its customers' specific needs and functional requirements. For example, the Target Group may in accordance with its customers' requirements to adjust the thickness and length of the precast concrete wall panels, the wall panels' strength by reinforcing them with wires, and to adjust the diameter and number of the hollow-cores of the wall panels. The Target Group's precast concrete wall panels are certified by Singapore Green Building Council (a certification body for green building-related products and services in Singapore to support Singapore's Building and Construction Authority's Green Mark scheme) as a Singapore Green Label product and are the only certified precast product with rating of excellent (3 Ticks). The Target Group's precast concrete wall panels have also been awarded Singapore Green Label for "Eco-Friendly Building Material" by the Singapore Green Labeling Scheme Secretariat since 2014.

Apart from its precast concrete wall panel systems, the Target Group also sells wall panel related accessories to be used in conjunction with the Target Group's precast concrete wall panel systems, for example adhesive, sealant, additives and other tools and accessories.

Major income and cost components

The Target Group's revenue was mainly derived from the manufacturing and sales of precast concrete wall panel systems and the sale of related accessories, with revenue from precast concrete wall panel systems contributed the major portion of the total revenue of the Target Group during the years ended 31 December 2014 and 31 December 2015 (the "**Relevant Period**").

The Target Group's significant cost components includes raw materials, direct labour production costs, transportation costs, energy expenses, repair and maintenance and direct depreciation.

Customers and Suppliers

Customers

The Target Group's products have a broad customer base, comprising mainly main contractors and subcontractors. The Target Group's customers are not necessarily the end users of the Target Group's products as the Target Group's precast concrete wall panel system is one of the building materials used for construction projects, and the Target Group's end market exposure can be divided between the residential, industrial and commercial construction markets.

As is typical in the industry, the Target Group generally conducts business with its customers on a project-basis and does not have long-term contractual commitments with its key customers. Therefore the Target Group depends on its key strengths and strong brand reputation for repeat orders. The Target Group's management believe that the Target Group's strong customer relationships, good quality and high performance products are key to its success. The Target Group's management believe its customers value the Target Group's brands for the extensive end user demand they command, as well as for the breadth and reliability of the Target Group's products. Consequently, the Target Group is focused on acquiring new customers and business sectors.

Procurement and suppliers

Key raw materials used in the manufacturing process are Recycled Concrete Aggregate (RCA), cement, sand, non-toxic inorganic industrial wastes and other sustainable materials.

As is typical in the industry, the Target Group generally purchases the key raw materials on an order basis and does not have long-term contracts with its key suppliers. The Target Group maintains a pool of suppliers which are reviewed and updated on an ongoing basis.

Employees and major terms of management contract

As of the date of this announcement, the Target Group has around 250 employees. The management contract is mostly a two-years-contract and will be renewed every year after two years.

Future plans

The Target Group intends to strengthen its leading market position in Singapore, continue to penetrate the market in Malaysia, and further expand its business to new markets by implementing the following strategies:

- Enhance leading position in existing regional market
- Expand business to new markets and diversify customer base
- Further enhance operational efficiency and reduce production costs
- Continue to develop and expand processing capacity

Financial information of the Target Group

Based on the latest unaudited financial information provided by the Investors to the Company, the Target Group's revenue was mainly derived from the manufacturing and sale of light weight precast concrete wall panels and the sale of related accessories. The manufacture and sale of precast concrete wall panels was the main revenue contributor to the Target Group during Relevant Period. The table set out below is a summary of financial information of the Target Group as extracted from its unaudited financial information for the Relevant Period:

	For the year ended/ as at 31 December 2014		For the year ended/ as at 31 December 2015	
	SGD'000 (unaudited)	HK\$'000 (unaudited)	SGD'000 (unaudited)	HK\$'000 (unaudited)
Revenue	17,464	99,545	23,950	136,515
Profit before taxation	6,855	39,074	10,210	58,197
Profit after taxation	5,908	33,676	8,323	47,441
Net assets	10,757	61,315	17,616	100,411

Pursuant to Rules 14.58(6) and (7) of the Listing Rules, the Company is required to disclose the above financial information relating to the Target Group in this announcement. Pursuant to Rule 10 of the Takeovers Code, the above unaudited financial information relating to the Target Group constitutes a profit estimate and should be reported on by the Company's financial adviser and reporting accountants (the "Reports") under Rule 10.4 of the Takeovers Code. However, due to the practical difficulties of including the Reports in this announcement in terms of the additional time required for the preparation of the Reports by the Company's financial advisers and reporting accountants, the financial information relating to the Target Group is not strictly in compliance with the requirements of Rule 10 of the Takeovers Code. A full set of the audited financial information relating to the Target Group prepared reported upon by Crowe Horwath (HK) CPA Limited as the reporting accountants under Hong Kong Financial Reporting Standards, which will be in full compliance with the requirements of the Takeovers Code, will be included in the Circular to be issued by the Company to the Shareholders. Shareholders

should note that there may be differences between the unaudited financial information relating to the Target Group as presented in this announcement and the audited financial information to be presented in the Circular to be issued by the Company to the Shareholders.

The Company would like to draw to the attention of the Shareholders and potential investors that the above unaudited financial information in relation to the Target Group does not meet the standard required by Rule 10 of the Takeovers Code and is subject to review by the reporting accountants of the Company and therefore subject to changes. Shareholders and potential investors should exercise caution in placing reliance on the above information in assessing the merits and demerits of the Acquisition and any other transactions disclosed in this announcement.

INFORMATION OF THE INVESTORS

Mr. Widjaja, Ms. Lim and Ms. Limarto are the proposed executive Directors immediately following the completion of the Acquisition. Please refer to the section headed “Proposed appointment of Directors and senior management” for details of biographical information of Mr. Widjaja, Ms. Lim and Ms. Limarto.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months before the date of this announcement.

IMPLICATIONS UNDER THE LISTING RULES

The Acquisition constitutes a very substantial acquisition and a reverse takeover for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and shareholders’ approval requirements pursuant to the Listing Rules and approval of the new listing application of the Company by the Listing Committee. Such new listing application is required to comply with all the requirements under the Listing Rules, in particular the requirements under Chapters 8 and 9 of the Listing Rules. As at the date of this announcement, the new listing application has not yet been submitted to the Stock Exchange, and the Company will initiate the new listing application process as soon as practicable.

As the Open Offer will increase the issued share capital of the Company by more than 50%, pursuant to Rule 7.24(5) of the Listing Rules, the Open Offer will be subject to the approval by the Shareholders at the EGM by way of poll. The Existing Substantial Shareholder is collectively interested in 1,875,846,510 Shares, representing approximately 33.5% of the issued share capital of the Company as at the date of this announcement, will abstain from voting in favour of the resolution(s) to be proposed at the EGM to consider and, if thought fit, approve the Open Offer.

Save as disclosed above, none of the other Shareholders and its associates have to abstain from voting on any resolutions to be proposed at the EGM.

The Company will apply to the Stock Exchange for the listing of and permission to deal in the Offer Shares, the Consideration Shares and the Subscription Shares.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Whitewash Waiver

As at the date of this announcement, the Concert Group does not own or control any existing Shares or any convertible securities, warrants, options or derivatives in respect of the existing Shares. Upon Completion, the Concert Group will, in aggregate, hold approximately 80% of the share capital of the Company after the Capital Reorganisation and as enlarged by the Offer Shares, the Subscription Shares and the Consideration Shares.

As such, the Concert Group would be required to make a mandatory general offer for all the issued shares of the Company (not already owned or agreed to be acquired by the Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

The Investors will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll, in which parties of the Concert Group and those who are involved in or interested in the Proposed Restructuring will abstain from voting on the relevant resolution(s). If the Whitewash Waiver is granted by the Executive, the Concert Group will not be required to make a mandatory offer which would otherwise be required as a result of the acquisition of the Consideration Shares. The Executive may or may not grant the Whitewash Waiver. If the Whitewash Waiver is not granted, the Restructuring Framework Agreement will terminate forthwith.

As at the date of this announcement, the Company does not believe that the Proposed Restructuring gives rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the Circular. The Company notes that the Executive may not grant the whitewash waiver if the Proposed Restructuring does not comply with other applicable rules and regulations.

INFORMATION REQUIRED UNDER THE TAKEOVERS CODE

As at the date of this announcement, none of the Investors or other members of the Concert Group own or have control or direction over any existing Shares, rights over Shares, convertible securities, warrants, options or derivatives in respect of the Shares. Other than entering into the Restructuring Framework Agreement, none of the Investors or other members of the Concert Group have acquired or disposed of or entered into any agreement or arrangement to acquire or dispose of any voting rights in the Company within the six months prior to the date of the Restructuring Framework Agreement and up to the date of this announcement.

As at the date of this announcement, save as disclosed in this announcement,

- (a) none of the Investors or other members of the Concert Group has received any irrevocable commitment in relation to voting of the resolutions in respect of transactions, including the Subscription, the Open Offer, the Whitewash Waiver, the Acquisition or any transactions contemplated under the Restructuring Framework Agreement at the EGM;
- (b) there is no outstanding derivative in respect of the securities of the Company which has been entered into by any Investors or other members of the Concert Group;
- (c) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of any of the members of the Concert Group or the Company and which might be material to the Restructuring Framework Agreement, the Open Offer, the Whitewash Waiver, the Creditors Schemes, the Subscription, the Acquisition or any transactions contemplated thereunder;
- (d) there is no agreement or arrangement to which any Investors or other members of the Concert Group is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Subscription, the Open Offer, the Whitewash Waiver, the Acquisition or any transactions contemplated under the Restructuring Framework Agreement, including any break fees being payable; and
- (e) none of the Investors or other members of the Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

As at the date of this announcement, the issued share capital of the Company comprises 5,603,859,393 Shares and, other than the Convertible Bonds due in 2014, the Company does not have any options, warrants or convertible securities in issue.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Currently, the Company has no non-executive directors or independent non-executive directors. As such, no independent board committee could be formed to make recommendations to the Independent Shareholders in respect of voting on the resolutions to approve the Capital Reorganisation, the Open Offer, the Subscription, the Creditors Schemes, the Whitewash Waiver, and the Acquisition contemplated under the Restructuring Framework Agreement by way of a poll at the EGM.

The Company will appoint an independent financial adviser to advise the Independent Shareholders in accordance with the requirements under the Listing Rules and the Takeovers Code on such matters. Further announcement(s) will be made by the Company upon the appointment of the independent financial adviser.

EXPECTED DATE OF DESPATCH OF THE CIRCULAR AND APPLICATION FOR WAIVER FROM STRICT COMPLIANCE WITH THE TAKEOVERS CODE AND THE LISTING RULES

A Circular containing, among other things, (i) details of the Acquisition; (ii) information about the Open Offer; (iii) information about the Subscription; (iv) information about the business of the Target Group; (v) the Whitewash Waiver; (vi) a letter of advice from the independent financial adviser to the Independent Shareholders; and (vii) a notice of EGM will be despatched to the Shareholders as soon as possible.

The Company will despatch the Circular in accordance with the applicable requirements under the Listing Rules and the Takeovers Code.

Under Rule 14.60(7) of the Listing Rules, the Company is required to despatch the Circular in relation to a very substantial acquisition within 15 Business Days after the publication of the announcement. Under Rule 8.2 of the Takeovers Code, the Company is required to despatch to Shareholders a circular in respect of, amongst others, the terms of the Acquisition and the Whitewash Waiver within 21 days from the date of publication of this announcement, that is, on or before 9 March 2017.

As the Company's new listing application is subject to approval by the Stock Exchange, it is expected that more time may be needed for the Stock Exchange to approve the Company's new listing application and for the preparation of the Circular, which is expected to be despatched on or before 31 July 2017.

As such, the Company will apply to the Executive pursuant to Rule 8.2 of the Takeovers Code for its consent to extend the time limit for the despatch of the circular and the Company will make further announcement on the expected date of despatch of the circular.

Shareholders and potential investors should note that the Open Offer, the Subscription, the Creditors Schemes, the Acquisition and the Whitewash Waiver are subject to various conditions which may or may not be fulfilled, in particular, whether the Stock Exchange will allow the Acquisition and accompanying transactions to proceed. There is therefore no assurance that any of these transactions will proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

CONSENT TO EXCLUDE ALL DIRECTORS FROM THE RESPONSIBILITY STATEMENT

Pursuant to Rule 9.3 of the Takeovers Codes, all documents issued by the Company in relation to the Proposed Restructuring should state that all Directors jointly and severally accept full responsibility for the accuracy of information contained in the document and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in the document have been arrived at after due and careful consideration and there are no other facts not contained in the document, the omission of which would make any statement in the document misleading.

On 25 February 2015, the Company was placed into Provisional Liquidation. The Provisional Liquidators have been duly appointed to manage and to take responsibility for the affairs of the Company and its principal subsidiaries. The Order of the Grand Court of the Cayman Islands dated 26 May 2015 suspended all of the Directors' powers in relation to the Company, save for certain residual powers. Given the Directors' inability to participate in matters relating to the Proposed Restructuring, the Company has applied to the Executive, and the Executive has granted consent pursuant to Rule 9.4 of the Takeovers Code to exclude all Directors from the responsibility statement given in all documents issued or to be issued by the Company in relation to the Proposed Restructuring.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Dealing in the shares of the Company on the Main Board of the Stock Exchange has been suspended since 25 March 2014 and will remain suspended until further notice.

The publication of this announcement does not indicate any decision or conclusion from the Stock Exchange nor warrant any approval from the Stock Exchange on the resumption of trading in Shares. The Company will keep the public informed of the latest developments by making further announcements as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the respective meanings set out opposite to them:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Acquisition”	the sale by the Investors and the purchase by the Company of the Sale Equity Interest pursuant to the Restructuring Framework Agreement
“associates”	has the meaning ascribed to it in the Listing Rules
“Authorised Share Capital Cancellation”	the proposed cancellation of the authorised but un-issued share capital of the Company in its entirety
“Authorised Share Capital Increase”	the proposed increase of the authorised share capital of the Company from US\$100,000 to US\$2,000,000 following completion of the Share Consolidation and Capital Cancellation to be divided into 20,000,000,000 New Shares of US\$0.0001 each
“Business Day(s)”	any day (other than a Saturday or a Sunday or a public holiday or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are generally open for business in Hong Kong

“Capital Reorganisation”	the proposed restructuring of the capital of the Company comprising, inter alia, the Share Consolidation, the Authorised Share Capital Cancellation and the Authorised Share Capital Increase
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the relevant circular in relation to the Capital Reorganisation, the Open Offer, the Subscription, the Acquisition, and the Whitewash Waiver to be dispatched by the Company
“Claim”	means any debt, liability or obligation of the Company, whether known or unknown, whether present or future, whether certain or contingent, whether liquidated or unliquidated and which includes without limitation a debt or liability to pay money or money’s worth, any liability under any statute or enactment, any liability for breach of trust, any liability in contract, tort or bailment and any liability arising out of an obligation to make restitution which would be admissible to proof in a compulsory winding-up of the Company under the Companies Ordinance and Companies Law
“Companies Law”	the Companies Law (2013 Revision) of the Cayman Islands as amended from time to time
“Companies Ordinance”	the Companies Ordinance of Hong Kong (Cap 622) as amended from time to time
“Company”	China Lumena New Materials Corp. (In Provisional Liquidation) (stock code: 67), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Proposed Restructuring
“Concert Group”	the Investors and any parties acting in concert with any of them
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the amount of approximately HK\$717.3 million, being the consideration for the Sale Equity Interest
“Consideration Price”	HK\$0.08, the price at which the Consideration Shares to be issued under the Restructuring Framework Agreement

“Consideration Shares”	the 8,966,175,024 New shares to be issued and allotted as fully paid by the Company to the Investors under the Restructuring Framework Agreement
“Convertible Bonds”	convertible bonds with an aggregate principal amount of US\$120,000,000 interest at the rate of 6% per annum issued on 6 May 2011 which expired on 6 May 2014
“Creditors”	collectively all the creditors of the Company who have a claim against the Company as at the date on which the Creditors Schemes become effective
“Creditors Claims”	an estimated total amount of claims of approximately of US\$980 million under the Creditors Schemes
“Creditors Schemes”	the schemes of arrangement entered into between the Company and its creditors pursuant to Sections 666 to 675 of the Companies Ordinance and Section 86 of the Companies Law with, or subject to, any modification, addition or conditions approved or imposed by the High Court and the Grand Court
“Creditors Schemes Consideration”	the amount of HK\$90 million payable under the Creditors Schemes
“Director(s)”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider, among others, all the resolutions of the Company necessary or appropriate in relation to the Capital Reorganisation, the issuance of the Offer Shares, the grant of the specific mandate for the allotment and issue of the Subscription Shares, the Acquisition, the Whitewash Waiver and any other matters as required by law, the Listing Rules, the Stock Exchange and/or the SFC, which are necessary to give effect to the Resumption Proposal, any transactions contemplated under the Restructuring Framework Agreement
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time or any of his delegate

“Existing Substantial Shareholder”	Suo Lang Duo Ji, interested in 1,875,846,510 Shares, representing approximately 33.5% of the issued share capital of the Company as at the date of this announcement
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“High Court”	High Court of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	the independent Shareholder(s), to the extent applicable in respect of each resolution, who are not members of the Concert Group and/or not involved in or interested in (other than solely as a Shareholder) the transactions contemplated under the Restructuring Framework Agreement including the Open Offer, the Subscription, the Acquisition, and/or the Whitewash Waiver and therefore permitted to vote in respect of the resolution(s) to approve the Open Offer, the Subscription, the Acquisition and the Whitewash Waiver at the EGM
“Independent Third Party(ies)”	a person(s) or company(ies) who or which is/are independent of and not connected (within the meaning of the Listing Rules) with the Company and its connected persons
“Investors”	Boediman Widjaja, Insinirawati Limarto and Incunirawati Limarto collectively
“JOE Green Pte.”	JOE Green Pte. Ltd., a company incorporated in Singapore with limited liability and principally engaged in manufacturing of non-structural precast components and wholesaling of building materials
“JOE Green Marketing Singapore”	JOE Green Marketing Pte. Ltd., a company incorporated in Singapore with limited liability and principally engaged in wholesaling of structural clay and concrete products
“JOE Green Precast”	JOE Green Precast Sdn. Bhd., a company incorporated in Malaysia with limited liability and principally engaged in manufacturing of recycling precast panels

“JOE Green Marketing Malaysia”	JOE Green Marketing Sdn. Bhd, a company incorporated in Malaysia with limited liability and principally engaged in trading of precast panels
“Last Trading Day”	24 March 2014, being the last full trading day immediately before the suspension of trading in the Shares
“Listing Committee”	Listing Committee of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange from time to time
“Long Stop Date”	31 October 2017 or such other date as the parties may agree
“New Share(s)” or “Consolidated Shares”	the ordinary share(s) of US\$0.0001 each in the capital of the Company immediately following the Capital Reorganisation becoming effective
“Offer Shares”	New shares to be allotted and issued under the Open Offer, being 560,385,939 New shares
“Offer Price”	HK\$0.08 per Offer Share
“Open Offer”	the proposed issue of the Offer Shares on the basis of one (1) Offer Shares for every one (1) New Share held by that Qualifying Shareholder on the Open Offer Record Date at the Open Offer Price
“Open Offer Price”	HK\$0.08, the price at which the Offer Shares are offered to the existing Shareholders
“Open Offer Record Date”	the date by reference to which entitlements under the Open Offer are to be determined
“PRC”	the People’s Republic of China and for the sole purpose of his announcement shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Restructuring”	the proposed restructuring of the Group, involving, among other things, the Capital Reorganisation, the Creditors Schemes, the Open Offer, the Subscription, and the Acquisition

“Provisional Liquidators”	Mr. Man Chun So, Mr. Yat Kit Jong and Mr. Simon Conway, being the joint and several provisional liquidators of the Company acting as agents without personal liability
“Qualifying Shareholder(s)”	the Shareholders, other than the excluded Shareholders (i.e. Shareholders whose address(es) as shown on the register of members is/are outside in a jurisdiction the laws of which may prohibit the making of the Open Offer to such Shareholders or otherwise require the Company to comply with additional requirements which are unduly onerous or burdensome), whose names appear on the register of members of the Company as at the close of business on the Open Offer Record Date
“Restructured Group”	the Group after completion of this Resumption Proposal
“Restructuring Framework Agreement”	the restructuring framework agreement entered into between the Company, the Provisional Liquidators and the Investors on 23 September 2016 in respect of the Proposed Restructuring of the Company
“Resumption Proposal”	the resumption proposal in relation to the Proposed Restructuring, submitted by the Company to the Stock Exchange
“Sale Equity Interest”	the entire issued share capital of the Target
“Scheme Administrators”	such persons who are appointed as the scheme administrators or their successors pursuant to the terms of the Creditors Schemes
“Scheme Company”	a company to be incorporated and to be held and controlled by the Scheme Administrators for the purpose of implementing the Creditors Schemes
“Scheme Subsidiaries”	all subsidiaries of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SGD”	Singapore dollars, the lawful currency of Singapore
“Share(s)”	the existing shares of US\$0.00001 each in the capital of the Company prior to the Capital Reorganisation becoming effective

“Shareholder(s)”	holder(s) of the Share(s)
“Share Consolidation”	the consolidation of every ten (10) Shares into one (1) consolidated share of US\$0.0001
“Singapore”	The Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	an independent third party(ies) to be identified and procured by the Investors under the Subscription
“Subscription”	the issuance and allotment of the Subscription Shares to the Subscribers pursuant to the Restructuring Framework Agreement
“Subscription Price”	HK\$0.08, the price at which the Subscription Shares are to be issued and allotted to the Subscribers pursuant to the Framework Restructuring Agreement
“Subscription Shares”	the 1,120,771,878 New Shares to be issued and allotted as fully paid by the Company to the Subscribers
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Target”	Linktopz Entertainment Limited, a company incorporated in Hong Kong, which through a reorganisation of the Target group will become the holding company of the Target Group
“Target Group”	the collective business of the Investors, i.e. (i) JOE Green Pte.; (ii) JOE Green Precast; (iii) JOE Green Marketing Singapore; and (iv) JOE Green Marketing Malaysia
“Whitewash Waiver”	a whitewash waiver pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code granted or to be granted by the Executive in respect of the obligations of the Investors to make a mandatory general offer for all the securities of the Company not already owned or agreed to be acquired by them which may arise as a result of the transaction(s) contemplated under the Restructuring Framework Agreement

“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“US\$”	United States dollar(s), the lawful currency of the United States of America
“%”	per cent

For and on behalf of
China Lumena New Materials Corp.
(In Provisional Liquidation)
Man Chun So
Yat Kit Jong
Simon Conway
Joint Provisional Liquidators
Acting as agents without personal liability

Hong Kong, 16 February 2017

As at the date of this announcement, the board of directors is comprised of three executive directors: Mr. Zhang Zhigang, Mr. Zhang Daming and Mr. Shi Jianping.

The Provisional Liquidators jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Investors and the Target Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The Investors jointly and severally accept full responsibility for the accuracy of the information relating to the Investors and the Target Group contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the Investors in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The exchange rate adopted in this announcement for illustration purpose only is SGD1.00 = HK\$5.7. Such conversion should not be construed as a representation that the currency could actually be converted at that rate.

* *For identification purpose only*