

CONSTRUCTION PLANNING PERMIT AND POTENTIAL SUSPENSION OF TRADING ON 15 JULY 2020

1. Obtaining of Construction Planning Permit

The Board of Directors ("**Board**") of China Jishan Holdings Limited ("**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 5 June 2020 and its annual report for the financial year ended 31 December 2019 which was announced on 8 June 2020, where it was stated, *inter alia*, that the Group intends to commence development of the Group's land assets ("**Land Assets**") located in Kebei Industrial Area, Shaoxing City into residential and commercial properties ("**Proposed Development of Land Assets**"). The Land Assets comprise seven (7) land use rights held by Shaoxing Yue Sheng Real Estate Property Development Co., Ltd. (绍兴越胜房地产开发有限公司) ("**Shaoxing Yue Sheng**"), an indirect wholly-owned subsidiary of the Company.

The Board wishes to announce that Shaoxing Yue Sheng has obtained a Construction Work Planning Permit (建设工程规划许可证) ("**Construction Planning Permit**") dated 1 July 2020 issued by Shaoxing Bureau of Natural Resources and Planning (绍兴市自然资源和规划局), being one of the requisite permits, in relation to the Proposed Development of Land Assets.

As at the date of this announcement, the Group has completed the initial preparation stage of the Proposed Development of Land Assets. It is envisaged that the Proposed Development of Land Assets will involve capital investment.

Further, the Board would like to highlight that there may be market and/or policy risks involved in relation to the Proposed Development of Land Assets and there is no guarantee of the success of the Proposed Development of Land Assets.

The Company will make such further announcements at the appropriate juncture, as and when there are material developments in relation to the Proposed Development of Land Assets.

2. Potential suspension of trading with effect from 15 July 2020

Under Rule 1303(3) of the listing manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the SGX-ST may at any time suspend trading of the shares of the Company where the Company is unable to continue as a going concern or unable to demonstrate to the SGX-ST and its shareholders that it is able to do so. As disclosed in the announcement dated 17 June 2020 in relation to queries from the SGX-ST, the SGX-ST had directed that if the Company does not enter into supplementary loan agreement(s) with its existing third-party lenders and/or obtain fresh funding by 15 July 2020, the Company should suspend trading under Rule 1303(3) of the Listing Manual.

Based on the current status of discussions with the potential lenders, the Board is of the view that it is unable to enter into supplementary loan agreement(s) with its existing third-party lenders and/or obtain fresh funding by 15 July 2020. As such, pursuant to Rule 1303(3) of the Listing Manual and as stated in the announcement dated 17 June 2020, **the shares of the Company may be suspended by the SGX-ST with effect from 15 July 2020.**

3. Resumption Proposal

Under Rule 1304 of the Listing Manual, if the trading of shares of the Company is suspended under Rule 1303(3) of the Listing Manual, the Company must submit a proposal (or proposals) to the SGX-ST with a view to resuming trading in its shares ("**Resumption Proposal**") within 12

months of the date of suspension. If no Resumption Proposal is received to enable trading to resume within 12 months of the date of suspension, the SGX-ST may remove the Company from the the list of issuers maintained by the SGX-ST.

In the event that trading of shares of the Company is suspended pursuant to Rule 1303(3) of the Listing Manual, **it is the current intention of the Company to use its best endeavours to procure the supplementary loan agreement(s) with its existing third-party lenders and/or obtain fresh funding. It will submit a Resumption Proposal if the Company enters into supplementary loan agreement(s) with its existing third-party lenders and/or obtains fresh funding.**

Shareholders and potential investors should exercise caution when trading in the Company's shares.

BY ORDER OF THE BOARD

Xiao Ziliang
Executive Director/ Chief Executive Officer

1 July 2020