



**CHINA HAIDA LTD.**

(Incorporated in Singapore on 18 August 2004)

Company Registration No. 200410428C

420 North Bridge Road #04-06 North Bridge Centre Singapore 188727

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**UPDATES ON FREEZING OF CERTAIN BANK ACCOUNTS OF THE SUBSIDIARY AND PRC'S INTERIM COURT ORDER INVOLVING THE SUBSIDIARY**

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The board of directors (the “**Board**”) of China Haida Ltd. (the “**Company**”) refers to the announcements made by the Company on 8 April 2020, 15 April 2020 and 22 April 2020 (collectively, “**Previous Announcements**”), particularly in respect of the freezing of certain bank accounts of Jiangyin Litai and the interim court order (“**ICO**”) issued against, among others, Jiangyin Litai. For convenience, unless otherwise stated, the same terminology used in the Previous Announcements has been adopted.

The Company would like to provide its shareholders with an update based on some preliminary findings of its PRC legal counsel. For the avoidance of doubt, the PRC legal counsel was appointed by the Company (as opposed to Jiangyin Litai). As such, they are professionally constrained from accessing and procuring all the requisite and pertinent information pertaining to Jiangyin Litai. Be that as it may, the PRC legal counsel have, to the best of their abilities, managed to procure the following material information as of 18 May 2020.

Enforcement Proceedings

Each of the six enforcement cases below was filed against nine parties (of which Jiangyin Litai is one of them) before the Sichuan Chengdu Longquanyi District People’s Court.

No.	Enforcement Case Number	Date of filing	Amount (in RMB)
1	(2020)川 0112 执 750 号 (Case No. 750)	6 Mar 2020	2,053,700
2	(2020)川 0112 执 751 号 (Case No. 751)	6 Mar 2020	2,053,700
3	(2020)川 0112 执 862 号 (Case No. 862)	3 Apr 2020	1,000,000
4	(2020)川 0112 执 1101 号 (Case No. 1101)	22 Apr 2020	1,000,000
5	(2020)川 0112 执 1248 号 (Case No. 1248)	11 May 2020	1,000,000
6	(2020)川 0112 执 1249 号 (Case No. 1249)	11 May 2020	2,053,700

Apparently, these nine parties (including Jiangyin Litai and our CEO, Mr Xu Youcai) were also among the twelve respondents being named in the ICO (please refer to the Announcement released on 8 April 2020).

It is uncertain whether any enforcement orders for all the six cases has eventually been issued. Neither had the legal counsel been able to gain access to or procure further information on these enforcement cases nor the underlying judgement which would presumably set out all the pertinent substantive details of the underlying dispute(s). As such, the Company is hitherto unable to determine the nature of and circumstances giving rise to the underlying legal dispute(s) leading up to these enforcement proceedings.

### Pending Litigation

In addition to the above, Jiangyin Litai is currently named as the second defendant alongside a related party, Jiangyin Comat Metal Products Co., Ltd ("**Jiangyin Comat**"), being the first defendant, in a civil suit instituted by a Hangzhou Xiaoshan Jiangnan Iron Printing & Cans Manufacturing Co., Ltd (the "**Plaintiff**") sometime in 2019 before the Jiangyin People's Court. While the Company understands that the first tranche of the trial took place on 17 March 2020, it is uncertain whether the trial has been procedurally completed to date. Due to the paucity of information, the Company was only given to understand that the legal suit was apparently in relation to a dispute over some trading transactions between the Plaintiff and Jiangyin Comat. Based on the accounting records of Jiangyin Litai as at 31 December 2019, the Plaintiff was however neither a customer nor a supplier of Jiangyin Litai. The Company is therefore also unable to ascertain, at this juncture, the whys and wherefores of Jiangyin Litai being embroiled in the dispute and eventually joined in the legal suit as well as other substantive details of the claim.

It is regrettable that the Company's personnel cannot visit Jiangyin Litai during this COVID-19 pandemic period to inquire into the genesis of and reasons for the legal tussles as preliminarily identified above, among others. Nonetheless, in the meantime, the Company has written to the Board of Directors and Supervisor of Jiangyin Litai to enquire and seek full explanations of the material facts and circumstances giving rise to or in connection with the foregoing. The Company will provide further material updates when they are available.

By order of the Board

Soh Beng Keng  
Lead Independent Director  
20 May 2020