

LEGAL CLAIMS

The Board of Directors (the “**Board**”) of China Jishan Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”), refers to its announcement dated 1 November 2017 (the “**Previous Announcement**”), in relation to, *inter alia*, the legal claim filed by Shanghai Jintumu Real Estate Co., Ltd. (the “**Purchaser**”) against Zhejiang Jishan Printing and Dyeing Co., Ltd (“**Jishan P&D**”); Zhejiang Jishan Holding Group Co., Ltd (“**Guarantor#1**”); and Shao Xing Yue Sheng Real Estate Property Development Co., Ltd (the “**Target**”) in the Higher People’s Court of Zhejiang Province, the People’s Republic of China (the “**Legal Claim**”).

Unless otherwise stated, all capitalised terms used herein shall have the same meaning ascribed to them in the Previous Announcement.

The Board wishes to provide the following updates:

- (1) Jishan P&D has attended the first court hearing last week in the PRC regarding the Legal Claim by the Purchaser;
- (2) Jishan P&D has filed a counter-claim against the Purchaser to terminate the Agreement and the Supplemental Agreement and has furnished the relevant documentary evidence in support of its counter-claim to the PRC courts;
- (3) The next hearing date will be fixed by the PRC courts and the Company will make further announcements as and when there are material developments relating to the Legal Claim.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the shares of the Company. When in doubt as to the action they should take, shareholders and potential investors should consult their legal, financial, tax or other advisers.

BY ORDER OF THE BOARD

Xiao Ziliang
Executive Director/ Chief Executive Officer

5 June 2018