

CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED

(Company Registration No. 200711863D)

(Incorporated in Singapore)

SINGAPORE EXCHANGE'S NOTICE OF COMPLIANCE DATED 8 JUNE 2018

The Board of Directors of China Taisan Technology Group Holdings Limited (the "Company") refers to the Company's announcement of 30 June 2018.

Further to the above announcement, the Company wishes to notify that the Company has today filed an application in the Singapore Court for the Company to be placed under judicial management pursuant to Section 227B of the Companies Act (Cap. 50) (the "**JM Application**") and interim judicial management pending the disposal of the JM Application (the "**IJM Application**").

As part of the proposed interim judicial management / judicial management process, the proposed interim judicial managers / judicial managers will conduct a special review in accordance with the Singapore Exchange Regulation Pte Ltd's Notice of Compliance dated 8 June 2018 which shall cover:-

- (a) a review of cash transactions for the financial year ended 31 December 2014 ("FY2014") till to-date;
- (b) a review of the circumstances surrounding the acquisition of "PPE Expenditure" of RMB 160million, including the valuation report signed off by Fujian Mincai Certified Public Accountants Limited Co. on 18 April 2018; and
- (c) a review of the circumstances surrounding customer claims for defective goods in FY2014, the acquisition and subsequent impairment of property, plant and equipment in the financial years ended 31 December 2015 ("FY2015") and 31 December 2016 ("FY2016"), and the write-off of VAT recoverables in FY2015.

The Company will further update when the JM Application and IJM Application have been fixed for hearing.

By Order of the Board

Tan Chee How
Company Secretary

13 July 2018