



CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED
(Company Registration Number: 200711863D)

RESPONSE TO QUERIES FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE ANNOUNCEMENT ON 2 DECEMBER 2016

The Board of Directors (the “**Board**”) of China Taisan Technology Group Holdings Limited (the “**Company**”) refers to the Company’s announcement on 2 December 2016. The Board would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 7 December 2016 (each, a “**SGX Query**”) as follows:

SGX Query 1

In the Company’s response to SGX Query 2 under section (a), the Company submits that the Net Book Value (“NBV”) before impairment of machineries aging 0-5 years is RMB326,687,000.

- a. Please provide further breakdown of the impairment within this category by stating the NBV for machineries aged 0-1 year, 1-2 years and 3 – 5 years.
- b. Please explain why the Company impair newly acquired machineries (i.e. Aged 0-1 year).

Company’s Response to SGX Query 1

- a) By detail aging of machineries:

Machinery	NBV before impairment
0-1 years	Nil
2-3 years	Nil
4-5 years	326,687
Total	326,687

Please note that the last purchase of machinery was in financial year 2012, which is five years ago.

- b) Refer above.

BY ORDER OF THE BOARD

Lin Wen Chang
Executive Director and Chief Executive Officer

8 December 2016