

Update On The Appointment Of Liquidator For The Disposal Of Qingmei's Assets

The AC has met up with 2 corporate re-structure advisory firms last year to invite them to look into the liquidation of Qingmei's assets, but however both firms had declined citing that the Company's inability to put up the initial cash advances.

The AC had relayed these responses to the CEO, Su Shubiao, and received unfavorable management reply that the Company and/or its substantial shareholders were not able to provide any additional monetary fund to meet request of the proposed liquidator role for the disposal of Qingmei assets.

On a separate but more serious matter, the Company has not been able to pay Codan Trust for Qingmei Group Holdings Ltd's Cayman entity annual registration fees for 2017. The AC has received few reminder emails from the Agent's Singapore office on the outstanding amount. Various communication with Su Shubiao in the last few months had failed so far for any payment. In 2016, the Company managed to come up with the money, with penalties, only in March.

The AC will continue to look out for any suitable company/individual who is interested in the assets of Qingmei, as well as the outstanding payments for the Cayman entity's registration.

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Chairman
Audit Committee