



CHINA HAIDA LTD.

(Incorporated in Singapore on 18 August 2004)

Company Registration No. 200410428C

24 Raffles Place #20-03 Clifford Centre Singapore 048621

RESPONSE TO SGX-ST QUERIES

Capitalised terms in this announcement shall have the same meanings as ascribed to them in the Previous Announcements (as defined below) unless otherwise defined.

The Board of Directors (the “**Board**”) of China Haida Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to make the follow responses to the queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 24 November 2021 in relation to the Company’s announcement dated 12 November 2021, and together with the Company’s announcements dated 28 June 2021 and 3 August 2021 (collectively, the “**Previous Announcements**”) relating to, *inter alia*, the appointment of a Special Auditor.

Query 1:

The Company disclosed that “the work which has been carried out by the Special Auditor are preliminary in nature and includes conducting initial discussions with the new management team of the Company’s subsidiary”. Please clarify if these “work”, which are “preliminary in nature” refers to the commencement of the Special Audit work after the signing of the Special Audit Engagement Letter. If so, to disclose the date when the Special Audit commenced and the period when the Special Audit work was carried out.

Company’s Response:

The “work” carried out by the Special Auditor refers to the commencement of the Special Audit work after the signing of the Special Audit Engagement Letter on 3 August 2021 and such Special Audit work was carried out between the period of 3 August 2021 to 17 August 2021. The Special Auditor had initial discussions with the representatives from Litai and clarified information requests on 5 August 2021 and 9 August 2021. In addition, the Special Auditor had also conducted preliminary investigative due diligence in connection with the Special Audit during the aforementioned period.

Query 2:

The Special Auditor was appointed on 2 August 2021. The Company disclosed that “the Company had to push back payment of the Initial Retainer and the Special Auditor indicated that they will temporarily halt work on the Special Audit pending payment of the Initial Retainer.” Please confirm with the Special Auditor that the Company’s statement is accurate that they had to “temporarily halt work” and that “work had been carried out by the Special Auditor” even though the Company had pushed back payment of the Initial Retainer to the Special Auditor. Please also clarify with the Special Auditor that the representation by the Board that it had been “conducting initial discussions with the new management team” was carried out as part of the Special Audit process after the signing of the Special Audit Engagement Letter.

Company’s Response:

In end August 2021, the Company had informed the Special Auditor that it does not have sufficient funds to make payment of the Initial Retainer and the payment of the Initial Retainer would be delayed.

The Company has confirmed with the Special Auditor that they have temporarily halted work on the Special Audit pending payment of the Initial Retainer.

The Special Auditor has also confirmed that they had conducted discussions with the new management team solely for the purpose of clarifying their information request in connection with the Special Audit after signing the Special Audit Engagement Letter.

BY ORDER OF THE BOARD

26 November 2021