



**CHINA HAIDA LTD.**

(Incorporated in Singapore on 18 August 2004)

Company Registration No. 200410428C

24 Raffles Place #20-03 Clifford Centre Singapore 048621

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**APPOINTMENT OF LEGAL COUNSELS**

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The Board of Directors (the “**Board**”) of China Haida Ltd (the “**Company**” together with its subsidiaries, the “**Group**”) refers to the announcement made on 26 January 2021 (the “**Announcement**”) and wishes to provide further update to the Company’s response to question 4 of the SGX queries on the specific details of the plans to safeguard the assets of the Company. In this regard, the Company is in the process of identifying and determining a Chinese law firm to be appointed in the People’s Republic of China (“**PRC**”) to investigate and establish the legal rights to the assets of the Company’s wholly-owned PRC subsidiary, Jiangyin Litai Ornamental Materials Co., Ltd (the “**Subsidiary**”) and to recommend legal actions in relation to the protection of assets in the Subsidiary. The scope of work to be performed by the appointed legal counsel is per the disclosure made under the Company’s response to question 4 of the SGX queries per the Announcement.

The to be appointed legal counsel’s preliminary scope of work in PRC, *inter alia*, is as follows:

1. Review on the current litigations against the Subsidiary and its CEO, including obtaining documentation evidence and information from the relevant Courts in the PRC;
2. Legal opinion on the liability and contingent liability of the Subsidiary for the current and pending litigation claims against the Subsidiary and legal assessment on the feasibility to defend the claims against the Subsidiary and to commence legal actions against the CEO for his unauthorised actions;
3. Legal opinion on the effect of the suspension of the positions of the PRC Directors in the Group under PRC Law.

The Company has also appointed Chris Chong & C T Ho LLP, a law firm based in Singapore, to provide additional legal support services in respect of potential dispute and compliance issues relating to the Company and the Subsidiary in Singapore, and to co-ordinate any legal action with the legal counsel in PRC including working with or instructing PRC legal counsel and the appointed legal counsel’s scope of work in Singapore, *inter alia*, is as follows:

1. Review all relevant documents relating to the Company’s announcements made over SGXNet relating to potential compliance issues in respect of the Subsidiary;
2. Assist the Board in evaluating and structuring the necessary legal actions that can be taken against past or present officers of the Company relating to compliance issues in respect of the Subsidiary;
3. Assist the Board in sourcing and co-ordinating potential legal actions to be taken in the People’s Republic of China (“**PRC**”) that are desirable for protecting shareholders’ rights and the

Company's investment in the Subsidiary, including working with or instructing PRC legal counsel; and

4. Advise the Board on the course of actions to be taken with respect to the Company's announcements made over SGXNet relating to the Subsidiary, or matters relating to past or present officers of the Company.

The Company will make further announcements on the subject matters of this announcement as and when they are material updates.

**By Order of the Board**

4 March 2021