



**CHINA HAIDA LTD.**

(Incorporated in Singapore on 18 August 2004)

Company Registration No. 200410428C

420 North Bridge Road #04-06 North Bridge Centre Singapore 188727

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**RESPONSE TO SGX-ST'S QUERY ON THE GROUP'S FINANCIAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014**

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The Board of Directors of CHINA HAIDA LTD. (the "**Company**", together with its subsidiaries, the "**Group**") wishes to provide the following response to the queries raised by Singapore Exchange Securities Trading Limited ("**SGX-ST**") in their email dated 12 March 2015 in respect of the Company's financial results announcement for the financial period ended 31 December 2014:

1. **'Advance payments to a related party (trade)' increased by 101% to RMB 32.6M while revenue decreased by 11.2%. Please provide details on:-**
  - a) **reasons for the substantive increase in 'Advance payments to a related party (trade)'**
  - b) **details on the purchases.**
  - c) **who the related party is and whether these transactions are interested party transactions**

Company's response:

- a) Advance payments to a related party (trade) as at 31 December 2014 were payments for the purchase of raw materials which would be delivered in 2015. The substantive increase was due to anticipated major orders for delivery in 2015.
- b) Details on the purchases: purchase of aluminium sheets.
- c) The related party is Jiangyin Haida Group., Ltd and these are interested party transactions which had been disclosed in item 13 of our financial result announcement on 26 February 2015.

By Order of the Board

Guo Yun  
Executive Director  
13 March 2015