



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

UPDATE ON THE STATUS OF LAND USE RIGHTS

The Board of Directors (the “**Board**”) of China Taisan Technology Group Holdings Limited (the “**Company**”) would like to update the status of land use rights as follows:

Period	Square meters	Value in RMB	Status
Before IPO (before 2007)	16,020	568,399 paid to 晋江市财政局	The land was used by the subsidiary, however, the subsidiary did not obtained the land use rights due to limited quota issue by local government. The government allowed the subsidiary to use the land first after paid the money in 2007. The relevant authority will issue land use right licence once central government approved such quota.
From 2010 to now	166,750	RMB18,750,000 deposited to 晋江市东石镇政府财政所. Total value of the land is RMB62,500,000.	Due to pollution issue, the government would like to offer another piece of land in exchange for the initial approved old land. However, due to compensation issue with few existing villagers, the local government has been acting as mediator to negotiate with those villagers till this point of writing.

The Company will update shareholders on any material development of the status of the land use rights as and when appropriate.

BY ORDER OF THE BOARD

Lin Wen Chang
Executive Director and Chief Executive Officer

21 April 2017