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KAISUN HOLDINGS LIMITED

凱順控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8203)

Current Development on Kaisun's Belt and Road Strategy: Memorandum of Understanding with China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. and Cavcorp Australia Pty Ltd.

The board (the "Board") of the directors (the "Directors") of Kaisun Holdings Limited (the "Company") is pleased to announce that on 28 February 2019, the Company and China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. ("NWPC") and Cavcorp Australia Pty Ltd. have entered into a Memorandum of Understanding ("MOU"). Based on principles of cooperating in good faith for the development HEZ project, a 2 x 1000MW Ultra Super Critical Coal-Fired Power Plant in Hunter Economic Zone, NSW Australia. The three parties entered into this Memorandum of Understanding for the joint development of this HEZ project.

Party A : Cavcorp Australia Pty Ltd. ("Cavcorp")

Party B: China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. ("NWPC")

Party C: Kaisun Energy Group Limited, a wholly owned subsidiary of Kaisun Holdings Limited ("Kaisun")

Current development on Kaisun's Belt and Road Strategy:

Memorandum of Understanding with China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. and Cavcorp Australia Pty Ltd.

Kaisun Holdings Limited and China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. ("NWPC") entered into Strategic Cooperation Framework Agreement in January 2019. Based on principles of cooperating in good faith under the Framework Agreement, both parties will jointly explore opportunities in electricity sectors and other infrastructure project located in countries along Belt and Road.

In 2019, three parties considered development of HEZ project, a 2 x 1000MW Ultra Super Critical Coal-Fired Power Plant in Hunter Economic Zone, NSW Australia. The three parties entered into this Memorandum of Understanding for the joint development of this HEZ project.

Leveraging on our existing and previous operations in areas including Xinjiang and Central Asia where Kaisun has good experience, Kaisun and our strategic partners will continue to look for opportunities in energy, financial, agriculture, logistics sectors in the Belt. This brings Kaisun's vision to a long term sustainable development. Kaisun Energy is currently undergoing business reorganization in preparation for the Belt and Road initiative expansion, including business models such as Private Public Partnership (PPP), Engineering-Procurement-Construction (EPC) together with our strategic partners for success in our new business. Future fund raising activities may be required in view of the large scale of the Belt and Road projects in general.

Being an international financial centre, Hong Kong is well positioned for fund raising for Belt and Road projects. Kaisun's neutral and pure business nature can help avoid complications already encountered by China SOEs investing abroad totally alone by itself such as political and legal barriers, and acted as superconnector for this project. As Hong Kong possess unique competence in "One country two system", its legal system commensurate with other legal systems in the major international financial centres, which will ease helping State-owned enterprises (SOE) to implement their foreign investments. As Kaisun Holdings possesses the unique traits as a listed company in Hong Kong and incorporated in Cayman Island, our strategic partner will rely on Kaisun's competencies to achieve success in investment in the Belt. Kaisun will not only invest alongside with our strategic partners but will also provide expertise in corporate management, fund raising, and also potential future project exit execution.

Main points of Memorandum of Understanding ("MOU")

Cooperation Model of Three Parties

As the initiator for the project, Cavcorp planned to develop the HEZ project. NWPC will be the contractor of Engineering, Procurement Construction and Financing contract (EPC+F) to be used for the project, and Kaisun will be the project coordinator. A special purpose project company will be established solely for this HEZ project, responsible for the development and operation.

Kaisun is the introducer and coordinator of the project, and help to procure look for potential investors for this project in Hong Kong, and or as required. They will also consider sponsoring the potential listing of the project in Hong Kong assembling relevant professional parties for the listing.

All Parties hereby agree that NWPC shall be the EPC+F contractor of the Project and also the O&M contractor as well and responsible for the operation and maintenance of the project after the construction of the project tenor of which shall not be less than 10 years post construction, renewable of mutual agreement.

Competences of NWPC and Kaisun Energy

China Energy Engineering Group Northwest Power Construction Engineering Co., Ltd. belongs to China Energy Engineering Corporation Limited ("CEEC") which ranked 333 among "The Fortune Global 500" in 2018.

CEEC is one of the largest comprehensive solutions providers for the power industry in China and globally. CEEC's strong capabilities across the full industry chain, in particular survey and design, enable it to provide customers with one-stop integrated solutions and full life-cycle project management services. CEEC undertook the construction of the Three Gorges Project (which has the largest hydropower station in the world in terms of installed capacity), the AC and DC transmission lines with the highest voltage level and the largest number of 1000MW USC generation units. According to the Sullivan Report, from 2012 to 2014, CEEC engaged in the design and/or construction of power plants with a total on-grid installed capacity of more than 160GW, ranking first in the world; in terms of revenue, CEEC would have ranked 21st among "The Top 150 Global Design Firms" in 2015 for its design business and 15th among "The Top 250 Global Contractors" in 2014 for its contracting businesses respectively by ENR. CEEC business segments consist of survey, design and consultancy, construction and contracting, equipment manufacturing, civil explosives and cement production, investment and other businesses.

Kaisun Holdings Limited is an investment holding company listed on the Growth Enterprise Market ("GEM") board of the Hong Kong Stock Exchange of Hong Kong Limited ("Stock Exchange"). Kaisun has operating experience in Hong Kong, Shenzhen, and Shandong of China and also Silk Road related regions such as Xinjiang, and Tajikistan. Not only does Kaisun have years of operating experience in Tajikistan but it has also taken on

consulting roles in other Central Asian projects with their business partners. Management and directors of the Group not only has experience in energy and mining but also financial and capital markets experience in Hong Kong as well as other developed and developing nations. As a frontrunner of the Belt and Road Initiative and an advocate of the Belt , Kaisun started to invest in Tajikistan, Central Asia since 2011 before launching of China's Belt and Road initiative in 2013, and is continuing to look for business opportunities to participate in Belt and Road Initiative. With our unique position as a Hong Kong listed company, our experience in the Belt and Road region and cooperating with our strategic partners, we will be able to capture good opportunities arising from the Belt and Road Initiative.

By order of the Board
Kaisun Holdings Limited
Chan Nap Kee, Joseph
Chairman

Hong Kong, 28 February, 2019

As of the date of this announcement, the executive Directors are Mr. Chan Nap Kee Joseph and, Mr. Yang Yongcheng. The independent non-executive Directors are Mr. Liew Swee Yean, Mr. Siu Siu Ling Robert, Dr. Wong Yun Kuen and Mr. Anderson Brian Ralph.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement in this announcement misleading or deceptive.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company's website at www.kaisun.hk.

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