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PRESS STATEMENT

Tian Tang Group is a leading industrial hub with in the Republic of Uganda. The Group is established under the auspices of the China – Uganda Cooperation. Over time, the group has attracted significant investment in Uganda creating thousands of Jobs and contributing development.

Our attention has been drawn to malicious, defamatory, propagandist and misleading media reports currently circulating about our relationship with Automobile Group (U) Limited.

Automobile Group (U) Limited was established following the cooperation agreement between Mr Liu Qingshan, Mr Yan Sheng and Zhang Zhigang in December 2019.

In the terms of the agreement, it was agreed as follows:

- a. The parties incorporate a company to among others carry out the business of assembly of automobiles.
- b. The shareholding for Automobile Group (U) Co. Ltd to be as follows: Liu Quingshan Yan Sheng and Zhang Zhigang

Tian Tang Group authorized the investment and allowed its chairman to invest in the Company.

Consequently, 10 acres of the land in the Sino-Uganda Mbale Industrial Park were allocated to the Company. The Company also received a 640 square meter exhibition hall, 2,700-square-meter workshop and apartment in the Namanve Industrial Park rent free for three years.

The allegation that our Chairman only contributed land as equity in joint venture is false and unfounded.

In further terms of the cooperation agreement, all shareholders were prohibited from undertaking business which conflicts with that of the company.

In April 2023, Mr Liu went on and registered another company Watu Auto Works (U) Ltd engaging in the same business with Automobile Group (U) Co. Ltd. In October 2023, Mr Liu still without the consent from fellow shareholders, registered another competing company **NEC-WATU AUTOMOBILE (U) Ltd**, with 80 percent shares and **NEC** with 20 percent shares.

The above companies started using our premises availed (per the cooperation agreement) for their operations to the exclusion of the rest of the partners. Mr. Liu deliberately excluded all partners from participating in the business and refused to render any accountability for the investment.

This conduct clearly violated the agreement between the partners and occasioned considerable loss.

We also realized that Mr. Liu forged the signature of our chairman on company documents in a bid to adjust the shareholding to his own benefit and that of his son.

Our chairman sought reconciliation. Through the Head of State House Investors Protection Unit Col. Edith Nakalema, efforts were made to mediate and reconcile the parties but Mr. Liu declined to cooperate or present any information to assist the process.

During the mediation meeting, it was agreed that the parties commission a comprehensive audit of the company (Automobile Group(U) Limited) is to establish its state from date of inception. It's more a year, since the mediation agreement was signed and the audit report has never been concluded due to failure by Mr. Liu to comply. In the end Col. Nakalema concluded that the process had failed.

We requested that since Mr. Liu had decided to instead partner with National Enterprise Corporation to conduct competing business, they should be given time to vacate our premises. Mr. Liu has however forcefully occupied our premises for a period coming to two years without payment. Our lawyers K&K (Kiwauka and Karugire) Advocates commenced the process of legally evicting Mr. Liu from our premises and the matter is pending in the courts of law.

We also sought the intervention of General James Mugira to assist with the mediation. The process of mediation by general is still underway.

Our attention has been drawn to allegations that our group charges money from investors to see the President and other government officials. We state that this is false. On a monthly basis, Chinese investors in the Sino-Uganda Mbale Industrial Park hold meetings with the management to discuss issues that may affect their operations and solutions are provided. It is through these meetings that we discuss issues arising and where need seek redress from relevant government bodies at no cost.

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Our dedication to this Country is to invite investment in conjunction with Government. To this end, we incur significant costs in marketing this beautiful country to the rest of the world. We offer free services to investors who agree to come to Uganda, including but not limited to: business registration, certification, marketing, setup, importation clearance, tax compliance, warehousing among others.

We maintain that our chairman is a law abiding and respectful investor only concentrating on developing Uganda through industrialization. Tian Tang Group maintains a professional working relationship with all government agencies in a bid to attain its goals.

We take this opportunity to reassure our stakeholders, partners, and general public that we remain committed to transparency, accuracy and truthfulness and request you to ignore the false and malicious reports circulated by actors.

Management