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Provided by: HIWIN TECHNOLOGIES CORP.

SEQ_NO 2 Date of announcement 2016/11/09 Time of announcement 15:46:11

Subject Statement of the progress after winning the lawsuit filed against Tianjin Ace Pillar Co. Ltd., for the right of the obligatory claim in civil litigation action.

Date of events 2016/11/09 To which item it meets paragraph 2

1.Parties to the legal matter:
Hiwin Technologies Corp.
Tianjin Ace Pillar Enterprise Co., Ltd.(Tianjin Ace Pillar)

2.Name of the court or disposing agency:
Tianjin Higher People's Court

3.Reference/case numbers of relevant documents:
None

4.Date of occurrence of the event:2016/11/09

5.Background and circumstances of the matter (including the property/subject matter under dispute):
Tianjin Ace Pillar had defaulted in payments since the year of 2013. The Company filed the civil suit of the obligatory claim against the payments and the delayed interests on Nov. 7th, 2013. Judgment was entered for the plaintiff by the Tianjin Higher People's Court; the Company won the lawsuit and filed against Tianjin Ace Pillar for the right of the obligatory claim in civil litigation action on Dec. 22nd, 2014. The Beijing Supreme People's Court ruled that the Company won the lawsuit on Jun. 30th, 2016. The result of the judgment is that Tianjin Ace Pillar shall pay the Company not only the obligatory claim of USD 7.596 million dollars, but also the delayed interest(1.5 times the interest rate of The People's Bank of China) and turns down the appeal of Tianjin Ace Pillar against the Company's full counterclaim.

6.Course and progression of handling of the matter:
6.1 After the final judgment, Tianjin Ace Pillar has only paid USD 490,000 to the Company. No specific payment methods and plans were proposed to the Company. The Company filed an enforcement application with Tianjin Higher People's Court in September 2016.
6.2 Tianjin Higher People's Court has recently enforced the execution of the bank deposit of RMB 55 million from Tianjin Ace Pillar. Since this case involves overseas remittance that requires process and time, the Court will reimburse the balance to the Company when it is ready.
6.3 Except to USD 490,000 dollars and RMB 55 million, there are still some unliquidated claims (including delayed interest) to be determined and executed by the Court.

7.Effect on company finances and business and estimated monetary amount of the effect:
After the transfer of RMB 55 million to the Court account, the Court has ensured that the Company's debts can be fully recovered. The Company will write off the accounts receivable from Tianjin Ace Pillar after the payment has been received and the delayed interest will be recognized as other income.

8.Countermeasures and status of amelioration:None.
9.Any other matters that need to be specified:None.

Statement