HTL INTERNATIONAL HOLDINGS LIMITED

HOLDING ANNOUNCEMENT

The Company wishes to announce that it has received a notification from its controlling shareholder, BEM Holdings Pte Ltd ("BEM"), that the latter has today entered into a memorandum of understanding with Guangdong Yihua Timber Industry Co., Ltd. ("GDYH"), in relation to potential corporate transaction(s), which may be assets/shares related, aimed at realising value for all shareholders of the Company. The Company is informed that GDYH is a reputable industry player listed in the People's Republic of China.

The Company is also informed that the discussions between BEM and GDYH are preliminary and on-going, and that no definitive agreement(s) have been executed. There is no assurance that any transaction will materialise from the on-going discussions. BEM will keep the Company updated on material developments in the discussions, as and when appropriate, and the Company will in turn disseminate any such information to shareholders in a timely manner.

The Board of Directors wishes to emphasise that it has not been approached by GDYH in relation to any proposed transaction.

In the meantime, the Board of Directors advises shareholders to exercise caution when dealing in the shares of the Company and to refrain from taking any action in respect of their investment in the Company without seeking prior professional advice.

BY ORDER OF THE BOARD

Jacqueline Loke
Company Secretary
Singapore, 27 October 2015