

SHS HOLDINGS LTD.

(Company Registration No. 197502208Z)

**RESPONSE TO QUERY FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
(THE “SGX-ST”) ON THE COMPANY’S ANNUAL REPORT 2015**

The Board of Directors of SHS Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the query raised by the SGX-ST on 29 April 2016 and responds as follows:-

SGX-ST’s query 1

The Company disclosed that it has utilized S\$1.65 million in proceeds from the subscription of 144,500,000 shares on working capital requirements. Where proceeds have been used for working capital purposes, a breakdown with specific details on how the proceeds have been applied must be disclosed. Please disclose a breakdown with specific details on the use of proceeds for working capital purposes.

The Company’s response:

The breakdown of the proceeds utilised for working capital purposes is as follows:-

	Amount (S\$)
Legal and professional fees	487,000
Staff costs and administrative expenses	811,000
Tax payment	352,100
Total	<u>1,650,000</u>

By Order of the Board
SHS HOLDINGS LTD.

Ng Han Kok, Henry
Group CEO
29 April 2016