

HUAN HSIN HOLDINGS LTD
(Company Registration No: 199509142R)
(Incorporated in the Republic of Singapore)

**QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL
OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST")**

Huan Hsin Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") was placed on the Watch-List pursuant to Rule 1311 of the SGX-ST Listing Manual on 5 March 2014.

Pursuant to Rule 1313(2) of the SGX-ST Listing Manual, the Board of Directors (the "**Board**") of the Company wishes to provide the following updates:

Update on Financial Position

For the full year ended 31 December 2018 ("FY 2018"), the Group revenue decreased by 35% to S\$15.7 million from S\$24.4 million in FY 2017. The decline in revenue was in line with the Group's on-going plan to shut down some of its loss making plants. The Group is winding down its manufacturing business in stages with the shutdown of its facility in Suzhou, People's Republic of China.

Please refer to our result announcement for the financial year ended 31 December 2018 released on 1st March 2019 for full detail.

Going concern

As at 31 December 2018, the Group's current assets were S\$24.0 million and current liabilities were S\$70.5 million. This posts a going concern issue. However, management is confident that with the strategies of corporate restructuring to streamline operations and disposing non-performing assets to lower costs and reduce borrowings, the Group will be able to continue operating as a going concern in the foreseeable future.

Update on Future Direction

The Company has received a notification of delisting dated 19 December 2018 from the SGX-ST and for exit offer to be made by 19 Jan 2019.

The Company had subsequently written to SGX-ST to appeal against its decision to delist as well as requesting for an extension of time to submit the exit offer proposal.

The Company has today received a notification from SGX-ST rejecting the appeal against delisting but granting the Company and its controlling shareholders up to end March 2019 to submit a reasonable cash exit offer proposal.

The Company will keep shareholders updated on any developments in this regard.

By Order of the Board
HUAN HSIN HOLDINGS LIMITED

Hsu Hung Chun
Chairman
1st March 2019