

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

**UPDATE ON THE PROPOSED SUBSCRIPTION – RECEIPT OF APPROVAL-IN-PRINCIPLE FROM
THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED**

*Capitalised terms used herein and not otherwise defined or the context requires otherwise, have the same meanings as set out in the announcements made by Huan Hsin Holdings Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) on 24 February 2016, 29 December 2016, 5 April 2017, 29 June 2017, 2 October 2017, 26 January 2018, 1 March 2018, 5 March 2018 and 15 March 2018 (the “**Announcements**”).*

1. The Board of Directors (the “**Board**”) of the Company refers to the Announcements.
2. The Board wishes to announce that the Company has on 20 April 2018 obtained the approval in-principle (“**AIP**”) from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in respect of the application for the listing and quotation of:
 - (a) 3,636,363,636 new Shares (the “**Subscription Shares**”) at S\$0.022 per Subscription Share to be issued to the Subscriber for an aggregate amount of S\$80 million issued in two tranches, comprising (i) 909,090,909 Shares to be issued for the amount of S\$20 million (“**Tranche 1**”); and (ii) 2,727,272,727 Shares to be issued for the amount of S\$60 million (“**Tranche 2**”); and
 - (b) up to 909,090,910 new Shares (the “**Option Shares**”) to be issued pursuant to the exercise of the Options to be granted to the Subscriber and CCIAM at the issue price of S\$0.022 per Option Share for up to an aggregate of S\$20 million,(collectively, the “**Proposed Subscription**”).
3. The SGX-ST’s AIP is subject to, *inter alia*, the following key conditions:
 - (a) Compliance with SGX-ST’s listing requirements;
 - (b) Shareholders’ approval for the Subscription and the Whitewash Resolution; and
 - (c) Submission of the following documents: -
 - (i) A written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of the proceeds from the Proposed Subscription of shares and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
 - (ii) A written undertaking from the Company that it will comply with Listing Rule 803; and

- (iii) A written confirmation from the Company that it will not issue the Subscription Shares and Option Shares to persons prohibited under Rule 812(1) of the Listing Manual.
- 4. Please note that the SGX-ST's AIP above is not to be taken as an indication of the merits of the Proposed Subscription, Subscription Shares, Option Shares, the Company and/or its subsidiaries.
- 5. The circular containing details of *inter alia* the Proposed Subscription, recommendation of the Directors and independent financial adviser and notice of extraordinary general meeting will be despatched to the Shareholders in due course. **Shareholders are advised to refrain from taking any action in relation to their Shares, which may be prejudicial to their interests until they or their advisers have considered the information and the recommendations set out in the circular, which will be issued in due course.**
- 6. Further announcements in relation to *inter alia* the Proposed Subscription will be made by the Company as and when appropriate.

By Order of the Board
Huan Hsin Holdings Ltd

Hsu Hung Chun
Chairman

20 April 2018