

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

**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 2017 (“FY2017”), the Group revenue decreased by 54% to S\$24.4 million from S\$52.6 million in FY2016. The substantial decline in revenue was in line with the Group’s on-going plan to shut down some of its loss making plants.

Please refer to our result announcement for the financial year ended 31 December 2017 released on 1st March 2018 for full detail.

Update on Future Direction

The Group will continue with its strategies of corporate restructuring to streamline operations and dispose non-performing assets to lower costs; reduce borrowings; and concurrently look for acquisition and diversification opportunities to generate additional income streams.

Update On Proposed Subscription

Unless otherwise defined herein, capitalised terms in this section of the announcement shall have the same meanings given to them in the announcement made by the Company on 24 February 2016 (the “Subscription Announcement”).

The Board refers to the Subscription Announcement and the further announcements dated 29 December 2016, 5 April 2017, 29 June 2017, 2 October 2017 and 26 January 2018.

As certain conditions precedent set out in the Subscription Agreement could not be satisfied, fulfilled or waived as of today, the Company, the Subscriber and CCIIL proceeded to consult in good faith with a view to finding alternative means to complete the Proposed Subscription. Despite the best efforts from all parties, it is unlikely that the Proposed Subscription will be completed in time for the Company to exit the Watch-List by 4 March 2018.

The Company is concurrently in consultations with SGX-ST to extend the deadline of 4 March 2018 to permit the completion of the Proposed Subscription as well as the acquisition of an asset to fulfill the requirements under Rule 1314 of the Listing Manual. The Company will make further announcements pending new developments.

As such, shareholders are advised to exercise caution in the trading of their shares

By Order of the Board
HUAN HSIN HOLDINGS LIMITED

Hsu Hung Chun
Chairman
1st March 2018