

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 first quarter ended 31 March 2015 (“Q1 2015”), the Group revenue decreased sharply by 59% to S\$40.9 million compared to S\$98.8 million same period last year. The decline in revenue was mainly due to the closure of several loss making factories as well as the decrease in market demand of PCs’ which has substantially affected the Group’s revenue.

Please refer to our result announcement for the financial period ended 31 March 2015 released on 7 May 2015 for full details.

Update on Future Direction

The Group has implemented various restructuring exercises such as ceased operations of a few factories in China and disposal of some of its assets and its subsidiaries to improve working capital and reduce bank borrowings in FY2014.

In FY2015, management will continue with the restructuring strategy to lower costs, streamline operations and dispose non-performing assets to repay the Group’s borrowings and improve its performance.

By Order of the Board
HUAN HSIN HOLDINGS LIMITED

Hsu Hung Chun
Chairman
7 May 2015