

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

**PROPOSED RESTRUCTURING OF SHANGHAI YI HSIN INDUSTRY CO.,
LTD AND SHANGHAI ZHAN HSIN INDUSTRY CO., LTD**

The Board of Directors of Huan Hsin Holdings Ltd (the “Company” and together with its subsidiaries, the “Group”) wishes to announce that the Company through its wholly owned subsidiary, Greatest Innovation Investments Ltd (“Greatest”), is in the process of setting up a wholly-owned subsidiary in British Virgin Islands (“NewCo”) to acquire the shares in the capital of Shanghai Yi Hsin Industry Co., Ltd (“SYH”) and Shanghai Zhan Hsin Industry Co., Ltd (“SZH”). Greatest currently holds 100% of the shares in SYH and SZH respectively (“Restructuring”).

Subsequent to the transfer of the shares in the capital of SYH and SZH to the NewCo, the balance sheet of SYH and SZH will be cleaned up to the extent that SYH and SZH will only be left with the land and factory buildings to facilitate any eventual disposal of NewCo together with its subsidiaries SYH and SZH to a prospective buyer.

This Restructuring will be funded by internal resources and is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the current financial year ending 31 December 2017.

None of the Directors or substantial shareholders of the Company has any interest in the above, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

BY ORDER OF THE BOARD

Hsu Hung Chun
Chairman
2 November 2017