

**UPDATES ON THE WAIVER FROM THE REQUIREMENT TO SEEK SHAREHOLDERS' APPROVAL FOR THE PROPOSED DISPOSAL OF LAND USE RIGHTS AND BUILDINGS LOCATED AT NO.911 SHENYANG MIDDLE ROAD, ZHANGCUNZHEN, WEIHAI CITY, SHANDONG PROVINCE, THE PEOPLE'S REPUBLIC OF CHINA AS A MAJOR TRANSACTION**

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1. The Board of Directors (the “**Board**”) of Huan Hsin Holdings Ltd (the “**Company**”) refers to the following announcements:
  - (i) the Company’s announcement dated 22 November 2018 in respect of the proposed disposal (the “**Proposed Disposal**”) of land use rights and buildings located at No. 911 Shenyang Middle Road, Zhangcunzhen, Weihai City, Shandong Province, the People’s Republic of China as a major transaction; and
  - (ii) the Company’s announcement dated 6 March 2020 in respect of, among other things, the conditional waiver (the “**EGM Waiver**”) granted by the SGX-ST to the Company from having to comply with Rule 1014(2) of the Listing Manual which requires the Company to obtain the approval from its Shareholders for the Proposed Disposal (the “**Waiver Announcement**”).
2. As announced in paragraph 4.3 of the Waiver Announcement, the SGX-ST had granted the EGM Waiver subject to the following conditions:
  - (i) The Company announcing the EGM Waiver granted, the reasons for seeking the EGM Waiver, the conditions as required under Rule 107 of the Listing Manual, and if the EGM Waiver conditions are satisfied. If the EGM Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
  - (ii) The Company and/or its controlling shareholders providing a reasonable cash exit offer to the minority shareholders.
3. In respect of the condition set out at paragraph 2(i) above, the reasons for seeking the EGM Waiver was announced in the Waiver Announcement.
4. In respect of the condition set out at paragraph 2(ii) above:
  - (i) the Company and Pacific Moment Holdings Ltd. (the “**Offeror**”) had, on 29 April 2020, jointly announced that the Offeror would be making a conditional cash exit offer (the “**Exit Offer**”) to acquire all the issued and paid-up ordinary shares in the capital of the Company (excluding treasury shares) other than the shares already held directly or indirectly by the Offeror as at the date of the Exit Offer (the “**Offer Shares**”) at the exit offer price of S\$0.016 for each Offer Share;
  - (ii) the Company and the Offeror had, on 14 May 2020, jointly announced that the exit offer letter (“**Exit Offer Letter**”) containing, among other things, (a) the terms and conditions of the Exit Offer, (b) the letter from the Company to the Shareholders and

(c) the letter from Provenance Capital Pte. Ltd. (the “**IFA Letter**”) who is the independent financial adviser (the “**IFA**”) to the directors of the Company who are considered to be independent (the “**Independent Directors**”) for the purposes of providing a recommendation on the Exit Offer to the Shareholders, have been despatched to the Shareholders on 14 May 2020; and

- (iii) The IFA had, in the IFA Letter, stated that it is of the view that the financial terms of the Exit Offer are **fair and reasonable** and accordingly advise the Independent Directors to recommend the Shareholders to accept the Exit Offer.

- 5. Accordingly, the Company considers that all the conditions for the Company to be granted the EGM Waiver have been met.

**BY ORDER OF THE BOARD**

Hsu Hung Chun  
Chairman

15 May 2020