

HUAN HSIN HOLDINGS LTD

(Incorporated in the Republic of 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 2019 ("FY 2019"), the Group revenue decreased by 29% to S\$11.2 million from S\$15.7 million in FY 2018. The decline in revenue was the result of weaker demand for telecommunications and electronic products.

Please refer to our result announcement for financial year ended 31 December 2019 released on 27 March 2020 for full detail.

Going concern

As at 31 December 2019, the Group's current assets were S\$7.5 million and current liabilities were S\$50.2 million. This posts a going concern issue. Management remains confident and is committed to the process of corporate restructuring to streamline operations and disposing non-performing assets to lower costs and reduce borrowings.

Update on Future Direction

As announced by the Company on 1 March 2019, the SGX-ST had granted the Company up until 1 April 2019 to submit a reasonable cash exit offer proposal ("Exit Offer Proposal").

The Company and its controlling shareholders however require more time to finalise the Exit Offer Proposal and had accordingly applied to the SGX-ST for more time to provide a reasonable cash exit offer to the Company's shareholders. Subsequently, the deadline was extended by SGX-ST.

The Company will continue to keep shareholders updated via announcements on the SGXNet as and when there are any material developments or updates on the Exit Offer Proposal.

By Order of the Board
HUAN HSIN HOLDINGS LIMITED

Hsu Hung Chun
Chairman
27 March 2020