

## **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”)**

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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 second quarter ended 30 June 2015 (“Q2 2015”), the Group revenue decreased sharply by 64% to S\$35.5 million compared to S\$98.7 million same period last year. The decline in revenue follows the closure of several loss making factories and the decrease in demand for PCs.

Please refer to our result announcement for the financial period ended 30 June 2015 released on 14 Aug 2015 for full details.

#### **Update on Future Direction**

In order to strengthen the working capital of the Group, Management will continue with the restructuring strategy to lower costs, streamline operations and close down loss making plants. The Group will cease operation of its Chongqing plant end of August 2015 and its Malaysia operation end of September 2015.

The Group is also in preliminary discussions with potential buyers to dispose its non-performing assets. Please note however that under relevant China laws and regulations as well as labour, management rights, taxation and VAT issues, such disposal(s) may take up to one year to complete from agreement with potential buyer(s).

By Order of the Board  
HUAN HSIN HOLDINGS LIMITED

Hsu Hung Chun  
Chairman  
14 Aug 2015