

SHS HOLDINGS LTD.

(Company Registration Number 197502208Z)

(Incorporated in the Republic of Singapore)

RESPONSE TO SGX QUERIES ON THE ANNOUNCEMENT OF 27 OCTOBER 2016 PERTAINING TO THE JOINT VENTURE WITH SEMBCORP UTILITIES PTE LTD FOR THE INSTALLATION AND LEASE OF UP TO 4MWH ROOFTOP SOLAR GENERATION PROJECT FOR SATS AIRFREIGHT TERMINAL THROUGH THE SALE OF 49% EQUITY INTERESTS CHANGI MEGA SOLAR PTE LTD TO SEMBCORP UTILITIES PTE LTD

The Board of Directors of SHS Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to refer to the Company’s announcement on 27 October 2016 (“the **Announcement**”). The Company has received queries from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) regarding the Announcement on 28 October 2016 and sets out its responses as follows:

SGX-ST queries:

1. Pursuant to Rule 704(18)(d) of the Listing Manual, please provide the following information:
 - (i) The details of the consideration as required in Rule 1010(3) of the Listing Manual; and
 - (ii) The value of assets disposed of as required in Rule 1010(5) of the Listing Manual.

The Company’s response:

- (i) As earlier announced, Changi Mega is a special purpose vehicle incorporated by the Group to Design, Build, Finance, Own and Operate a Grid-Tier Solar Photovoltaic System with a project capacity of between 3,600 kW_p and 4,000 kW_p for the SATS Project which is in the progress of construction. Changi Mega is incorporated with a Paid up Capital of S\$100, with 51% equity interests owned by the Company’s wholly owned subsidiary, Sinenergy Holdings Pte Ltd and 49% owned by Sinenergy Pte Ltd, a subsidiary of Sinenergy Holdings Pte Ltd. As contemplated between the Group and Sembcorp Utilities Pte Ltd to jointly owned Changi Mega in the proportion of 51% and 49% respectively, the consideration of S\$49 is based on a willing buyer, willing seller basis taking into account the issued paid up capital of Changi Mega of S\$100 and Sembcorp Utilities Pte Ltd acquiring a 49% interests. The consideration of S\$49 will be paid in cash upon signing of the SPA.
- (ii) There are no assets being disposed of as the joint venture pertains to the two parties (namely the Company and Sembcorp Utilities Pte Ltd) pooling their funds to develop the SATS Project in the proportion of their respective equity interests in Changi Mega.

By Order of the Board
SHS Holdings Ltd.

Ng Han Kok, Henry
Group Chief Executive Officer
31 October 2016