

UNAUDITED RESULTS FOR THE PERIOD ENDED 31 DECEMBER 2017

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, Q3 & Q4) HALF YEAR AND FULL YEAR RESULTS

The Directors of Lereno Bio-Chem Ltd wish to announce the unaudited results of the Group for the quarter period ended and nine months ended 31 December 2017.

**Change of financial year end**

On 13 November 2017, the Company announced the change of financial year end from 31 March to 31 December.

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Income Statements**

	Group		+ / (-)	Group		+ / (-)
	3 months ended 31 December 2017	3 months ended 31 December 2016		9 Months ended 31 December 2017	12 Months ended 31 March 2017	
	S\$'000	S\$'000		S\$'000	S\$'000	
Other income	65	2	NM	66	10	542
Total revenue	65	2	NM	66	10	542
<b>Items of expense</b>						
Staff costs	(66)	24	NM	501	(190)	NM
Other expenses	29	(183)	NM	(168)	(560)	(70)
Finance costs	-	-	NM	-	-	NM
<b>Profit/(Loss) before taxation</b>	28	(157)	NM	399	(740)	NM
Taxation	-	-	NM	-	-	NM
<b>Profit/(Loss) for the period</b>	28	(157)	NM	399	(740)	NM

**Consolidated Statement of Comprehensive Income for the 4th Quarter and 12 months ended 31 March 2017**

	Group		+ / (-)	Group		+ / (-)
	3 months ended 31 December 2017	3 months ended 31 December 2016		9 Months ended 31 December 2017	12 Months ended 31 March 2017	
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Profit/(Loss) for the period, net of tax</b>	28	(157)	NM	399	(740)	NM
<b>Other comprehensive income(taken directly to equity)</b>						
Exchange (loss) / gain on foreign currency translation	-	-	NM	-	-	NM
Total comprehensive income/(loss) for the period attributable to owners of the Company	28	(157)	NM	399	(740)	NM

**Notes to Income Statements**

The following items were (charged)/credited to the income statement:

	Group		+ / (-)	Group		+ / (-)
	3 months ended 31 December 2017	3 months ended 31 December 2016		9 Months ended 31 December 2017	12 Months ended 31 March 2017	
	S\$'000	S\$'000		S\$'000	S\$'000	
Depreciation of property, plant and equipment	-	(3)	NM	(3)	(10)	(70)
Foreign exchange loss	-	-	NM	-	(3)	NM
Property, plant and equipment written off	-	-	NM	(11)	-	NM
Waiver of payable	58	-	NM	58	-	NM
Write back of directors' fees	-	-	NM	600	-	NM
Provisions for doubtful debts	-	-	NM	-	(8)	NM
Loss on disposal of subsidiary	-	-	NM	-	(93)	NM

NM : Not meaningful.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

**STATEMENT OF FINANCIAL POSITION**

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	31 December 2017	31 March 2017	31 December 2017	31 March 2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non current assets</b>				
Property, plant and equipment	-	14	-	14
	-	14	-	14
<b>Current assets</b>				
Other receivables	15	22	15	22
Prepayments	11	20	11	20
Amount owing by related parties	-	7	-	7
Cash and bank balances	20	23	14	18
	46	72	40	67
<b>Current liabilities</b>				
Other payables	689	6,289	678	6,211
Amounts owing to related parties	5,197	36	5,197	36
	5,886	6,325	5,875	6,247
<b>Net current liabilities</b>	(5,840)	(6,253)	(5,835)	(6,180)
<b>Non current liabilities</b>	-	-	-	-
<b>Net liabilities</b>	(5,840)	(6,239)	(5,835)	(6,166)
<b>Equity attributable to equity holders of the Company</b>				
Share capital	36,827	36,827	36,827	36,827
Accumulated losses	(42,667)	(43,066)	(42,662)	(42,993)
Other reserves	-	-	-	-
	(5,840)	(6,239)	(5,835)	(6,166)
Non-controlling interest	-	-	-	-
<b>Total equity</b>	(5,840)	(6,239)	(5,835)	(6,166)
	-	-	-	-

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As At 31 December 2017	
Secured	Unsecured
S\$'000	S\$'000
-	-

As At 31 March 2017	
Secured	Unsecured
S\$'000	S\$'000
-	-

Amount repayable after one year

As At 31 December 2017	
Secured	Unsecured
S\$'000	S\$'000
-	-

As At 31 March 2017	
Secured	Unsecured
S\$'000	S\$'000
-	-

Details of any collateral

Not applicable

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Statement of Cash Flows**

	Group		Group	
	3 months ended 31 December 2017	3 months ended 31 December 2016	9 Months ended 31 December 2017	12 Months ended 31 March 2017
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Profit/(Loss) before taxation	28	(157)	399	(740)
Adjustments for:				
Depreciation of property, plant and equipment	-	3	3	10
Loss on disposal of subsidiary	-	-	-	93
Property, plant and equipment written off	-	-	11	-
Write back of directors' fees	-	-	(600)	-
Waiver of payable	(58)	-	(58)	-
Provisions for doubtful debts	-	-	-	8
Foreign exchange loss	-	-	-	3
<b>Operating loss before changes in working capital</b>	(30)	(154)	(245)	(626)
(Increase) / Decrease in receivables	17	19	6	11
(Increase) / Decrease in prepayments	11	5	10	8
(Decrease) / Increase in payables	(151)	(34)	(198)	(34)
<b>Cash flows used in operations</b>	(153)	(164)	(427)	(641)
Interest paid	-	-	-	-
<b>Net cash flows used in operating activities</b>	(153)	(164)	(427)	(641)
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	-	-	-	-
<b>Net cash flows generated from / (used in) investing activities</b>	-	-	-	-
<b>Cash flows from financing activities</b>				
Loan from a director	153	180	424	646
<b>Net cash flows generated from financing activities</b>	153	180	424	646
Net (decrease) / increase in cash and cash equivalents	-	16	(3)	5
Cash and cash equivalents at beginning of the period	20	14	23	18
Cash and cash equivalents at end of the period	20	30	20	23

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and

distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE 3 MONTHS ENDED 31 DECEMBER 2017**

Changes in equity Group (S\$'000)	Attributable to equity holders of the Company					Non - Controlling Interest	Total Equity
	Share Capital	Capital Reserve	Translation Reserve	Accum. Losses	Total		
As at 1 October 2017	36,827	-	-	(42,695)	(5,868)	-	(5,868)
Total comprehensive income for the period	-	-	-	28	28	-	28
As at 31 December 2017	36,827	-	-	(42,667)	(5,840)	-	(5,840)

Changes in equity Group (S\$'000)	Attributable to equity holders of the Company					Non- Controlling Interest	Total Equity
	Share Capital	Capital Reserve	Translation Reserve	Accum. Losses	Total		
As at 1 October 2016	36,827	-	-	(42,810)	(5,983)	-	(5,983)
Total comprehensive income for the period	-	-	-	(157)	(157)	-	(157)
As at 31 December 2016	36,827	-	-	(42,967)	(6,140)	-	(6,140)

Changes in equity Company (S\$'000)	Attributable to equity holders of the Company			
	Share Capital	Capital Reserve	Accum. Losses	Total
As at 1 October 2017	36,827	-	(42,581)	(5,754)
Total comprehensive loss for the period	-	-	(81)	(81)
As at 31 December 2017	36,827	-	(42,662)	(5,835)
As at 1 October 2016	36,827	-	(42,695)	(5,868)
Total comprehensive loss for the period	-	-	(136)	(136)
As at 31 December 2016	36,827	-	(42,831)	(6,004)

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	3 months ended 31 December 2017	3 months ended 31 December 2016	9 Months ended 31 December 2017	12 Months ended 31 March 2017
<b>Shares granted to directors and staff under the Employee Share Award</b>				
Balance at beginning period	-	-	-	-
Shares granted during the year/period	-	-	-	-
Shares issued during the year/period	-	-	-	-
Balance at end period	-	-	-	-
<b>Warrants</b>				
Balance at beginning period	-	-	-	-
Converted during the period	-	-	-	-
Warrants expired	-	-	-	-
Warrants cancelled during the period	-	-	-	-
Balance at end period	-	-	-	-
<b>Number of ordinary shares</b>				
Balance at beginning period	73,631,858	73,631,858	73,631,858	73,631,858
Issue of new shares	-	-	-	-
Share consolidation exercise	-	-	-	-
Shares issued from warrant conversion	-	-	-	-
Balance at end period	73,631,858	73,631,858	73,631,858	73,631,858

There were no treasury shares in issue.

There were no subsidiary holdings as at 31 December 2017.

1d(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The number of issued shares as at 31 December 2017 was 73,631,858 (31 March 2017: 73,631,858).

1d(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of current financial period reported on.

Not applicable. There were no treasury shares as at the end of the financial period reported on.

1d(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the financial period reported on.

Not applicable. There were no subsidiary holdings at at the end of the financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The financial statements have been prepared in compliance with the same accounting policies and method of computation adopted in the audited financial statements of the last financial year.

5. If there are any changes in the accounting policies and methods of computation, including any required by any accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

	3 months ended 31 December 2017	3 months ended 31 December 2016	9 Months ended 31 December 2017	12 Months ended 31 March 2017
	Cents	Cents	Cents	Cents
<b>Profit/(Loss) per ordinary share(cent)</b>				
Basic	0.04	(0.21)	0.54	(1.00)
Diluted	0.04	(0.21)	0.54	(1.00)
<b>Weighted average number of shares</b>				
Basic	73,631,858	73,631,858	73,631,858	73,631,858
Diluted	73,631,858	73,631,858	73,631,858	73,631,858

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.

	Group		Company	
	As at 31 Dec 2017	As at 31 Mar 2017	As at 31 Dec 2017	As at 31 Mar 2017
Net asset value per ordinary share (cents)	(7.93)	(8.47)	(7.93)	(8.37)

Net asset value per ordinary share for the Group and Company is computed based on 73,631,858 ordinary shares as at 31 December 2017 (73,631,858 ordinary shares as of 31 March 2017) in issue.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following (a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on (including where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

STATEMENT OF COMPREHENSIVE INCOME  
9 Months ended 31 December 2017

The Group registered a gain of S\$399,000 for 9 months ended 31 December 2017 as compared to loss of S\$740,000 for 12 month ended 31 March 2017. It is mainly due to the one-time write back of provision of FY 2015 directors' fees of S\$600,000 which was only payable upon the successful completion of the proposed acquisition of 60% of the issued and paid-up share capital of HTwo Education Holdings Pte Ltd ("HTwo Proposed Acquisition"). Due to the termination of the HTwo Proposed Acquisition, the abovementioned Director Fees were not applicable and therefore written back.

The Group registered other income of S\$66,000 for the 9 months ended 31 December 2017 as compared to S\$10,000 for the 12 months ended 31 March 2017, which is mainly due to a waiver of payables during this financial year.

The Group registered a profit of S\$28,000 for the 3 months ended 31 December 2017 as compared to loss of S\$157,000 for 3 months ended 31 December 2016. This is mainly due to the write back of overprovision of accrual of other expenses.

STATEMENT OF FINANCIAL POSITION AND STATEMENT OF CASH FLOWS

There is a decrease of S\$3,000 cash and cash equivalents from S\$23,000 as at 31 March 2017 to S\$20,000 as at 31 December 2017.

The decrease of about S\$5.6 million in other payables and the increase in amounts owing to related parties of S\$5.2 million is mainly due to the re-classification from the amount due to directors to Bin Tai Holdings Pte Ltd.

The Group's net current liabilities reduced from S\$6.253 million as at 31 March 2017 to S\$5.840 million as at 31 December 2017 which resulted in a decrease in the Group's negative shareholders' equity from S\$6.239 million as at 31 March 2017 to S\$5.840 million as at 31 December 2017. The decrease is mainly due to the write back of FY2015 directors' fees of S\$600,000 and the waiver of payables of S\$58,000 during this financial year. This negative shareholders' equity is currently funded by the Company's controlling shareholder.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Following the termination of the Kenyalang Acquisition, the Company and Mr Lim Siau Hing @ Lim Kim Hoe have entered into a conditional put and call option agreement dated 27 September 2017 ("Agreement") to acquire the entire issued share capital of Knit Textile and Apparel Pte. Ltd. for an aggregate consideration of S\$26,400,000, subject to adjustment in accordance with the Agreement ("Consideration") ("Proposed Acquisition"). The Consideration will be satisfied in full by the allotment and issue of ordinary shares in the capital of the Company. The due diligence is in progress.

In anticipation of the Proposed Acquisition, the Board had proposed and changed the financial year end to 31 December so as to align with the financial year end of the Target Group. This will facilitate the preparation of the proforma combined financial statements of the Company and the Target Group, as required for the purpose of the Proposed Acquisition. With this change, the financial year of the Company will end on 31 December of each year and the next set of full year (being FY 2017) financial statements of the Company will cover a period of nine (9) months from 1 April 2017 to 31 December 2017.

The Company will announce any material developments in connection with the Proposed Acquisition when it is appropriate.

The Board is of the view that the Group will be able to operate as a going concern as the Proposed Acquisition is underway for the Group to meet its requirement for a new listing in accordance with Catalist Rule 1017(2), and it is expected to be completed by end August 2018; and (2) the Company's controlling shareholder will continue to provide financial support to the Group for the next 12 months or up to approval of shareholders for the RTO, whichever is earlier.

11. **Dividend**

- (a) **Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? None

- (b) **Corresponding Period of the immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? None

- (c) **Tax on dividend**

Whether the dividend is before tax, net of tax or tax exempt? Not applicable

- (d) **Date payable**

Not applicable

- (e) **Books closure date**

Not applicable

12. **If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared/recommended.

13. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in issuer's most recently audited annual financial , with comparative information for the immediately preceding year.**

**(a) Business segment**

The Group has become a cash company as defined under Rule 1017 of the Catalist Rules of the Listing Manual of SGX-ST. Accordingly, the revenue and results information regarding the Group's business segment for the 9 month period ended 31 December 2017 and 12 months ended 31 March 2017 relate to the Company's corporate office.

**(b) Geographical segment**

The Group operates in Singapore.

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not Applicable

15. **A breakdown of sales.**

	31 Dec 2017 S\$'000	31 Mar 2017 S\$'000	Change %
(a) Sales reported for first half year	-	-	NM
(b) Operating profit/(loss) reported for first half year	371	(204)	NM
(c) Sales reported for second half year	-	-	NM
(d) Operating profit/(loss) reported for second half year	28	(536)	NM

16. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

No dividends have been declared or paid in either of the 9 months ended 31 December 2017 and 12 months ended 31 March 2017.

17. **Interested Person Transactions**

The aggregate value of interested person transactions is as follows:-

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transaction conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	<u>3 months ended 31 Dec 2017</u> S\$'000 NIL	<u>3 months ended 31 Dec 2017</u> S\$'000 NIL

The Group has not obtained a general mandate from shareholders for IPTs.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with our Director, CEO and/or Substantial Shareholder	Current position and duties, and the year the position was first held.	Details of changes in duties and position
Ong Choon Lui	45	Son of Ong Puay Koon (Director, CEO and Substantial Shareholder)	Executive Director (since 2003) Director of subsidiary - MAE Engineers Pte Ltd (since 2003) To assist the CEO on all projects and budgets of the group.	Not applicable
Ong Ai Koon	43	Daughter of Ong Puay Koon (Director, CEO and Substantial Shareholder) and sister of Ong Choon Lui (Director)	Director of subsidiary - MAE Engineers Pte Ltd (since 2003) Chief Financial Officer (Mar 2012) To oversee for all accounting, financial, human resource & administrative matters of the group	Not applicable

19. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

The Company hereby confirms that it has procured undertakings from all the directors and executive officers under Rule 720(1).

On behalf of the Board of Directors  
LERENO BIO-CHEM LTD

**ONG PUAY KOON**  
Managing Director and Chief Executive Officer  
1 March 2018

**ONG CHOON LUI**  
Executive Director

**Review by Catalyst Sponsor**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The contact person for the Sponsor is Mr. Ong Hwee Li (Telephone: 65-6532 3829) at 1 Robinson Road, #21- 02 AIA Tower, Singapore 048542.