BONVESTS HOLDINGS LIMITED (Registration No. 196900282M)

RESPONSE TO SGX-ST QUERY ON ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Board of Directors (the "Board") of Bonvests Holdings Limited (the "Company") refers to the queries raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") on 19 April 2016 regarding the disclosure of information in the Corporate Governance Statement in the Company's 2015 Annual Report. The Board sets out its response as follows:

1. SGX's Query 1:

Guideline 11.3 of the Code of Corporate Governance 2012 (the "Code") states that the Board should comment on the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls, and risk management systems, in the company's Annual Report. The Board's commentary should include information needed by stakeholders to make an informed assessment of the company's internal control and risk management systems. The Board should also comment in the company's Annual Report on whether it has received assurance from the CEO and the CFO:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

(b) regarding the effectiveness of the company's risk management and internal control systems.

As required under Listing Rule 710, please disclose the Board's comments on the (i) adequacy of the internal controls, including financial, operational, compliance and information technology controls; and the (ii) effectiveness of the risk management systems.

Company's Response

The Group maintains a system of internal controls for all companies within the Group. The controls are to provide reasonable assurance (but not absolute guarantee) that assets are adequately safeguarded, operational and information technology controls are in place, business risks are suitably addressed and proper accounting records are maintained.

For the financial year ended 31 December 2015, the Board has received letters of assurance from the Managing Director, the Finance Manager of the Company and the financial controllers of substantial subsidiaries of the Group that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances, and regarding the effectiveness of the Company's risk management and internal controls system.

In line with SGX-ST Listing Rule 1207(10), the Board with the concurrence of the Audit Committee is satisfied that the Company's framework of internal controls is adequate to provide reasonable assurance of the integrity, effectiveness and efficiency of the Company in safeguarding its assets and shareholders' interests. Such framework serves to provide reasonable assurance against material misstatement or loss and to adequately and effectively address financial, operational, compliance and information technology control risks."

With the assistance of the Internal Audit function and through the Audit Committee, the Board of Directors reviews the effectiveness of the key internal controls on an on-going basis, provides its perspective on management control and ensures that the necessary corrective actions are taken on a timely basis. There are formal procedures in place for both the internal and external auditors to report independently conclusions and recommendations to Management and to the Audit Committee.

The Group's system of internal controls has a key role in the identification and management of risks that are significant to the achievement of its business objectives. The process of business risk management has been integrated throughout the Group into business planning and monitoring process. Management continuously evaluates and monitors the significant risks. The Board reviews the overall risk management process to ensure that there are adequate and effective controls and other processes in place to manage the significant risks identified.

2. SGX's Query 2:

It is stated on page 37 of the 2015 annual report, "In line with SGX-ST Listing Rule 1207(19)(c) on Dealings in Securities, the Company issues circulars to its directors and employees to remind them that: (1) they should not deal in shares of the Company on short-term considerations or if they are in possession of unpublished material price-sensitive information…The officers are also reminded of the prohibition in dealings in shares of the Company two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and 1 month before the announcement of its full year financial statements. The restriction in Dealings in Securities is also extended to employees of the Company."

Please disclose whether and how the Company has complied with the best practices on dealing in securities pursuant to Listing Rule 1207(19)(c), in particular that the listed issuer should not deal in the listed issuer's securities during the period commencing two weeks before the announcement of the company financial statements for each of the first three quarters of its financial year and one month before the announcement of the company's full year financial statements (if required to announce quarterly financial statements), or one month before the announcement of the company's half year and full year financial statements (if not required to announce quarterly financial statements).

Company's Response

Further to the disclosure on page 37 of the 2015 Annual Report, the Company wishes to inform that the Company's directors and senior management know of and a new director or senior management staff will be briefed on the Listing Rule 1207(9) that the Company should comply with the best practice on dealing in securities pursuant to Listing Rule 1207(19)(c), in not dealing in its securities during the period commencing two weeks before the announcement of the company financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements. The Company wishes to confirm that it has complied with Listing Rule 1207(19)(c).

BY ORDER OF THE BOARD
Foo Soon Soo
Company Secretary
21 April 2016