

**UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 31 DECEMBER 2015**

**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 third quarter ended 31 December 2015 ("3Q FY 2016").

- 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		
	3rd quarter ended 31.12.2015	3rd quarter ended 31.12.2014	+/(-)	9 months ended 31.12.2015	9 months ended 31.12.2014	+/(-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Other income	3	2	39	17	36	(54)
Total revenue	3	2	39	17	36	(54)
<b>Items of expense</b>						
Staff costs	(187)	(187)	0	(563)	(545)	3
Other expenses	(114)	(153)	(25)	(454)	(552)	(18)
Finance costs	-	-	NM	-	-	NM
<b>Loss before taxation</b>	(299)	(338)	(12)	(1,000)	(1,061)	(6)
Taxation	-	-	NM	-	-	NM
<b>Loss for the period</b>	(299)	(338)	(12)	(1,000)	(1,061)	(6)

**Consolidated Statement of Comprehensive Income for the 3rd Quarter ended 31 December 2015**

	Group			Group		
	3rd quarter ended 31.12.2015	3rd quarter ended 31.12.2014	+/(-)	9 months ended 31.12.2015	9 months ended 31.12.2014	+/(-)
	S\$'000	S\$'000		S\$'000	S\$'000	
<b>Loss for the period, net of tax</b>	(299)	(338)	(12)	(1,000)	(1,061)	(6)
<b>Other comprehensive income(taken directly to equity)</b>						
Exchange (loss) / gain on foreign currency translation	-	-	NM	(1)	-	NM
<b>Total comprehensive loss for the period</b>	(299)	(338)	(12)	(1,001)	(1,061)	(6)

**Notes to Income Statements**

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

	Group			Group		
	3rd quarter ended 31.12.2015	3rd quarter ended 31.12.2014	+/(-)	9 months ended 31.12.2015	9 months ended 31.12.2014	+/(-)
	S\$'000	S\$'000		S\$'000	S\$'000	
Depreciation of property, plant and equipment	(2)	(2)	0	(7)	(7)	-
Exchange gain / (loss)	-	-	NM	-	-	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 Dec 2015	31 Mar 2015	31 Dec 2015	31 Mar 2015
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Non current assets</b>				
Property, plant and equipment	25	33	25	33
Agricultural assets	-	-	-	-
Goodwill on consolidation	-	-	-	-
Subsidiaries	-	-	-	-
Associated company	-	-	-	-
Other assets	-	-	-	-
	<u>25</u>	<u>33</u>	<u>25</u>	<u>33</u>
<b>Current assets</b>				
Other receivables	52	52	52	52
Prepayments	14	17	14	16
Amount owing by subsidiaries	-	-	52	-
Amount owing by related parties	8	8	8	8
Cash and bank balances	37	79	24	44
	<u>111</u>	<u>156</u>	<u>150</u>	<u>120</u>
<b>Current liabilities</b>				
Trade payables	-	-	-	-
Other payables	5,458	4,509	5,374	4,422
Provision for warranty and defects	-	-	-	-
Provision for litigation claims	-	-	-	-
Amounts owing to related parties	36	36	36	36
	<u>5,494</u>	<u>4,545</u>	<u>5,410</u>	<u>4,458</u>
<b>Net current liabilities</b>	(5,383)	(4,389)	(5,260)	(4,338)
<b>Non current liabilities</b>				
Hire purchase creditors	-	(3)	-	(3)
<b>Net liabilities</b>	<u>(5,358)</u>	<u>(4,359)</u>	<u>(5,235)</u>	<u>(4,308)</u>
<b>Equity attributable to equity holders of the parent</b>				
Share capital	36,827	36,825	36,827	36,825
Accumulated losses	(42,089)	(41,089)	(42,062)	(41,133)
Other reserves	(96)	(95)	-	-
	<u>(5,358)</u>	<u>(4,359)</u>	<u>(5,235)</u>	<u>(4,308)</u>
Non-controlling interest	-	-	-	-
<b>Total equity</b>	<u>(5,358)</u>	<u>(4,359)</u>	<u>(5,235)</u>	<u>(4,308)</u>

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 Dec 2015	
Secured	Unsecured
S\$'000	S\$'000
-	-

As At 31 Mar 2015	
Secured	Unsecured
S\$'000	S\$'000
3	-

**Amount repayable after one year**

As At 31 Dec 2015	
Secured	Unsecured
S\$'000	S\$'000
-	-

As At 31 Mar 2015	
Secured	Unsecured
S\$'000	S\$'000
-	-

**Details of any collateral**

The secured borrowings are in relation to assets acquired under hire purchase financing.

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	
	3rd quarter ended 31.12.2015	3rd quarter ended 31.12.2014	9 months ended 31.12.2015	9 months ended 31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Cash flows from operating activities</b>				
Loss before taxation	(299)	(338)	(1,000)	(1,061)
Adjustments for:				
Depreciation of property, plant and equipment	2	2	7	7
Interest expense	-	-	-	-
<b>Operating loss before changes in working capital</b>	(297)	(336)	(993)	(1,054)
Decrease in receivables	-	-	-	3
(Increase) / Decrease in prepayments	8	18	3	19
Increase in payables	42	103	347	273
Increase in amount owing by related parties	-	0	-	1
<b>Cash flows used in operations</b>	(247)	(215)	(643)	(758)
Interest paid	-	-	-	-
<b>Net cash flows used in operating activities</b>	(247)	(215)	(643)	(758)
<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>				
Payment made to hire purchase creditors	-	(1)	(3)	(4)
Loan from a director	191	174	602	657
Proceeds from Issuance of shares for warrants conversion	-	-	2	-
<b>Net cash flows generated from financing activities</b>	191	173	601	653
Net (decrease) / increase in cash and cash equivalents	(56)	(42)	(42)	(105)
Cash and cash equivalents at beginning of the period	92	121	79	184
Effect of exchange differences on opening balances	-	-	(1)	-
Cash and cash equivalents at end of the period	36	79	36	79

- 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 THIRD QUARTER ENDED 31 DECEMBER 2015**

Changes in equity Group (\$'000)	Attributable to equity holders of the Company				Total	Non - Controlling Interest	Total Equity
	Share Capital	Capital Reserve	Translation Reserve	Accum. Losses			
As at 1 Oct 2015	36,827	-	(96)	(41,790)	(5,059)	-	(5,059)
Total comprehensive loss for the period	-	-	-	(299)	(299)	-	(299)
As at 31 Dec 2015	36,827	-	(96)	(42,089)	(5,358)	-	(5,358)

	Attributable to equity holders of the Company				Total	Non- Controlling Interest	Total Equity
	Share Capital	Capital Reserve	Translation Reserve	Accum. Losses			
As at 1 Oct 2014	36,825	-	(95)	(39,850)	(3,120)	-	(3,120)
Total comprehensive loss for the period	-	-	-	(338)	(338)	-	(338)
As at 31 Dec 2014	36,825	-	(95)	(40,188)	(3,458)	-	(3,458)

Changes in equity Company (\$'000)	Attributable to equity holders of the Company			
	Share Capital	Capital Reserve	Accum. Losses	Total
As at 1 Oct 2015	36,827	-	(41,787)	(4,960)
Total comprehensive loss for the period	-	-	(275)	(275)
As at 31 Dec 2015	36,827	-	(42,062)	(5,235)
As at 1 Oct 2014	36,825	-	(39,880)	(3,055)
Total comprehensive loss for the period	-	-	(314)	(314)
As at 31 Dec 2014	36,825	-	(40,194)	(3,369)

- 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 also the number of shares that may be issued on conversion of all the outstanding convertibles as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

**Shares granted to directors and staff under the Employee Share Award**

	3 months ended 31 Dec 2015	3 months ended 31 Dec 2014
Balance at beginning of the year/period	-	-
Shares granted during the year/period	-	-
Shares issued during the year/period	-	-
Balance at end of the year/period	-	-

**Warrants**

	3 mths ended 31 Dec 2015	3 mths ended 31 Dec 2014
Balance at beginning of the year/period	-	115,443,017
Converted during the period	-	-
Warrants expired	-	-
Warrants cancelled during the period	-	-
Balance at end of the year/period	-	115,443,017

**Number of ordinary shares**

	3 months ended 31 Dec 2015	3 months ended 31 Dec 2014
Balance at beginning of the year/period	73,631,858	3,681,524,743
Share consolidation exercise	-	-
Shares issued to pay directors/officers	-	-
Balance at end of the year/period	73,631,858	3,681,524,743

There are no treasury shares in issue.

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 2015 was 73,631,858 (31 December 2014: 3,681,524,743 ).

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.

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:

	3rd quarter ended 31.12.2015	3rd quarter ended 31.12.2014	9 months ended 31.12.2015	9 months ended 31.12.2014
	Cents	Cents	Cents	Cents
<b>Loss per ordinary share(cent)</b>				
Basic	(0.41)	(0.46)	(1.36)	(1.44)
Diluted	(0.41)	(0.46)	(1.36)	(1.44)
<b>Weighted average number of shares</b>				
Basic	73,631,858	73,630,495	73,631,727	73,630,495
Diluted	73,631,858	73,630,495	73,631,727	73,630,495

Note: The earnings per ordinary shares for the corresponding periods were adjusted retrospectively as a result of the share consolidation exercise on 4 September 2015.

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	As at	As at	As at
	31 Dec 2015	31 Mar 2015	31 Dec 2015	31 Mar 2015
Net asset value per ordinary share (cents)	(7.28)	(0.12)	(7.11)	(0.12)

Net asset value per ordinary share for the Group and Company is computed based on 73,631,858 ordinary shares as at 31 December 2015 (3,681,524,743 ordinary shares as of 30 March 2015) 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  
3Q FY 2016

The Group registered a loss of S\$299,000 for Q3 FY2016 as compared to S\$338,000 for Q3 FY2015. It is mainly due to our continuing cost saving exercise and the reduction in professional fees.

STATEMENT OF FINANCIAL POSITION AND STATEMENT OF CASH FLOWS

The Group's net current liabilities increased from S\$4.389 million as at 31 March 2015 to S\$5.383 million as at 31 December 2015 and thus an increase in the Group's negative shareholders' equity from S\$4.359 million as at 31 March 2015 to S\$5.358 million as at 31 December 2015. The increase is mainly due to the advances from directors to fund the operation expenses. This negative shareholders' equity is currently funded by the Company's controlling shareholder.

There is a decrease of cash and cash equivalents from S\$79,000 as at 31 December 2014 to S\$37,000 as at 31 December 2015.

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.

On 30 June 2015, the Company announced the proposed acquisition of 60% of the issued and paid-up shares in HTwo Education Holdings Pte. Ltd. (the "Proposed Acquisition"). The Company will announce any material developments in connection with the Proposed Acquisition.

The Company announced on 17 November 2015 following completion of the disposal of its associated company, Lereno Sdn Bhd, that the Company has become a cash company as defined under Rule 1017 of the Catalist Rules of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"). Subsequently, the Company announced on 11 December 2015 that the SGX-ST has approved the continued trading of the Company's shares on the SGX-ST, subject to the satisfaction of all the conditions under Rule 1017(1) of the Catalist Rules.

The Company had provided monthly valuations of its assets and utilisation of cash as at 30 November 2015 and 31 December 2015 as per the Company's announcements dated 18 December 2015 and 18 January 2016 pursuant to Rule 1017(1)(b) of the Catalist Rules. On 21 December 2015, the Company had announced that the Proposed Acquisition is still ongoing and that the Company would make further announcements to update shareholders in respect thereof.

The Company's controlling shareholder will continue to provide financial support to the Group for the next 12 months for the Group to meet its operating expenses.

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/recommendeded.

**13. 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)
	3Q ended 31 December 2015 S\$'000 Nil	3Q ended 31 December 2015 S\$'000 Nil

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

**14. Confirmation pursuant to Rule 705(5) of the SGX Listing Manual**

We, ONG PUAY KOON and ONG CHOON LUI, being two directors of Lereno Bio-Chem Ltd ("the Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the third quarter ended 31 December 2015 unaudited financial results to be false or misleading.

**15. 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  
29 January 2016

**ONG CHOON LUI**  
Executive Director

**Review by Catalyst Sponsor**

This announcement has been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST 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:  
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