

UNAUDITED RESULTS FOR THE FIRST QUARTER ENDED 30 JUNE 2017

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

The Directors of Leren Bio-Chem Ltd wish to announce the unaudited results of the Group for the first quarter ended 30 June 2017 ("1Q FY 2018").

- 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		+ / (-) %
	1st quarter ended 30.06.17	1st quarter ended 30.06.16	
	S\$'000	S\$'000	
Other income	1	3	(67)
Total revenue	1	3	(67)
Items of expense			
Staff costs	(16)	(189)	(92)
Other expenses	(84)	(90)	(7)
Finance costs	-	-	NM
Loss before taxation	(99)	(276)	(64)
Taxation	-	-	NM
Loss for the period	(99)	(276)	(64)

Consolidated Statement of Comprehensive Income for the 1st Quarter ended 30 June 2017

	Group		
	1st quarter ended 30.06.17	1st quarter ended 30.06.16	
	S\$'000	S\$'000	
Loss for the period, net of tax	(99)	(276)	(64)
Other comprehensive income (taken directly to equity)			
Exchange (loss) / gain on foreign currency translation	-	-	NM
Total comprehensive loss for the period	(99)	(276)	(64)

Notes to Income Statements

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

	Group		+ / (-) %
	1st quarter ended 30.06.17	1st quarter ended 30.06.16	
	S\$'000	S\$'000	
Depreciation of property, plant and equipment	(3)	(2)	50

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
	30 Jun 2017	31 Mar 2017	30 Jun 2017	31 Mar 2017
	S\$'000	S\$'000	S\$'000	S\$'000
Non current assets				
Property, plant and equipment	11	14	11	14
Other assets	-	-	-	-
	<u>11</u>	<u>14</u>	<u>11</u>	<u>14</u>
Current assets				
Other receivables	22	22	22	22
Prepayments	14	20	14	20
Amount owing by subsidiaries	-	-	20	-
Amount owing by related parties	7	7	7	7
Cash and bank balances	20	23	15	18
	<u>63</u>	<u>72</u>	<u>78</u>	<u>67</u>
Current liabilities				
Other payables	6,376	6,289	6,298	6,211
Amounts owing to related parties	36	36	36	36
	<u>6,412</u>	<u>6,325</u>	<u>6,334</u>	<u>6,247</u>
Net current liabilities	(6,349)	(6,253)	(6,256)	(6,180)
Non current liabilities	-	-	-	-
Net liabilities	<u>(6,338)</u>	<u>(6,239)</u>	<u>(6,245)</u>	<u>(6,166)</u>
Equity attributable to equity holders of the parent				
Share capital	36,827	36,827	36,827	36,827
Accumulated losses	(43,165)	(43,066)	(43,072)	(42,993)
Total equity	<u>(6,338)</u>	<u>(6,239)</u>	<u>(6,245)</u>	<u>(6,166)</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 30 Jun 2017	
Secured	Unsecured
S\$'000	S\$'000
-	-

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

Amount repayable after one year

As At 30 Jun 2017	
Secured	Unsecured
S\$'000	S\$'000
-	-

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

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	
	1st quarter ended 30.06.17	1st quarter ended 30.06.16
	S\$'000	S\$'000
Cash flows from operating activities		
Loss before taxation	(99)	(276)
Adjustments for:		
Depreciation of property, plant and equipment	3	2
Operating loss before changes in working capital	(96)	(274)
Decrease in receivables	-	(9)
(Increase) / Decrease in prepayments	6	12
Increase in payables	(47)	132
Cash flows used in operations	(137)	(139)
Interest paid	-	-
Net cash flows used in operating activities	(137)	(139)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	-	-
Net cash flows generated from / (used in) investing activities	-	-
Cash flows from financing activities		
Loan from a director	134	138
Net cash flows generated from financing activities	134	138
Net (decrease) / increase in cash and cash equivalents	(3)	(1)
Cash and cash equivalents at beginning of the period	23	18
Cash and cash equivalents at end of the period	20	17

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 FIRST QUARTER ENDED 30 JUNE 2017**

Changes in equity Group (\$'000)	Attributable to equity holders of the Company				Non - Controlling Interest	Total Equity
	Share Capital	Translation Reserve	Accum. Losses	Total		
As at 1 Apr 2017	36,827	-	(43,066)	(6,239)	-	(6,239)
Total comprehensive income /(loss) for the period	-	-	(99)	(99)	-	(99)
As at 30 Jun 2017	36,827	-	(43,165)	(6,338)	-	(6,338)

As at 1 Apr 2016	Attributable to equity holders of the Company				Non- Controlling Interest	Total Equity
	Share Capital	Translation Reserve	Accum. Losses	Total		
As at 1 Apr 2016	36,827	(96)	(42,326)	(5,595)	-	(5,595)
Total comprehensive income / (loss) for the period	-	-	(276)	(276)	-	(276)
As at 30 Jun 2016	36,827	(96)	(42,602)	(5,871)	-	(5,871)

Changes in equity Company (\$'000)	Attributable to equity holders of the Company			
	Share Capital	Capital Reserve	Accum. Losses	Total
As at 1 Apr 2017	36,827	-	(42,993)	(6,166)
Total comprehensive loss for the period	-	-	(79)	(79)
As at 30 Jun 2017	36,827	-	(43,072)	(6,245)
As at 1 Apr 2016	36,827	-	(42,343)	(5,516)
Total comprehensive income for the period	-	-	(252)	(252)
As at 30 Jun 2016	36,827	-	(42,595)	(5,768)

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.

Shares granted to directors and staff under the Employee Share Award

	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
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 months ended 30 Jun 2017	3 months ended 30 Jun 2016
Balance at beginning of the year/period	-	-
Converted during the period	-	-
Warrants expired	-	-
Warrants cancelled during the period	-	-
Balance at end of the year/period	-	-

Number of ordinary shares

	3 months ended 30 Jun 2017	3 months ended 30 Jun 2016
Balance at beginning of the year/period	73,631,858	73,631,858
Issue of new shares	-	-
Placement of shares	-	-
Shares issued from warrant conversion	-	-
Balance at end of the year/period	73,631,858	73,631,858

There are no treasury shares in issue.

There were no subsidiary holdings as at 30 June 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 30 June 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.

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.

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:

	1st quarter ended 30.06.17	1st quarter ended 30.06.16
	Cents	Cents
Loss per ordinary share(cent)		
Basic	(0.13)	(0.37)
Diluted	(0.13)	(0.37)
Weighted average number of shares		
Basic	73,631,858	73,631,858
Diluted	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	As at	As at	As at
	30 Jun 2017	31 Mar 2017	30 Jun 2017	31 Mar 2017
Net asset value per ordinary share (cents)	(8.61)	(8.47)	(8.48)	(8.37)

Net asset value per ordinary share for the Group and Company is computed based on 73,631,858 ordinary shares as at 30 June 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
1Q FY 2018

The Group registered a loss of S\$99,000 for Q1 FY2018 as compared to S\$276,000 for Q1 FY2017. It is mainly due to the reduction of staff cost.

STATEMENT OF FINANCIAL POSITION AND STATEMENT OF CASH FLOWS

The Group's net current liabilities increased from S\$6.253 million as at 31 March 2017 to S\$6.349 million as at 30 June 2017 and thus an increase in the Group's negative shareholders' equity from S\$6.239 million as at 31 March 2017 to S\$6.338 million as at 30 June 2017. The increase in net liabilities is mainly due to operating cost which is funded by the Company's controlling shareholder which resulted in higher negative shareholders' equity.

There is an increase of cash and cash equivalents from S\$17,000 as at 30 June 2016 to S\$20,000 as at 30 June 2017.

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 23 June 2016, the Company entered into a conditional sale and purchase agreement with Kenyalang Property Development Sdn. Bhd ("Kenyalang") to acquire the entire issued share capital of Kenyalang Property (S) Pte Ltd, a company incorporated in Singapore on 23 June 2016, which will, upon completion of the restructuring exercise conducted by Kenyalang, hold the entire issued share capital of Sinomae Engineering Sdn. Bhd. ("Sinomae"), a company incorporated in Malaysia. The purchase consideration is agreed at RM 70 million, which shall be fully satisfied on completion by way of allotment and issuance of 583,333,333 ordinary shares of the Company at an issue price of \$0.04 per share to Kenyalang. Sinomae is the legal and beneficial owner of a freehold parcel of land, measuring 4.744 acres with an existing 17 storey building (the "Asset"), located at Lot 43 Kawasan Bandar XXXI, the Town of Melaka, State of Melaka, Malaysia. Kenyalang wishes to develop the Asset into a mixed commercial development project integrating a hotel, retail and serviced apartments. The due diligence of the Asset is still ongoing.

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

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

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. 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)
	1Q 2018 S\$'000	1Q 2018 S\$'000
	Nil	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 first quarter ended 30 June 2017 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
19 July 2017

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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