LEE METAL GROUP LTD
REG. No. 198205439C

Third Quarter and Nine Months Financial Statements And Dividend Announcement

1(a)(i) The Board of Directors of Lee Metal Group Ltd is pleased to announce the unaudited results of the Group for the Third Quarter and Nine Months ended 30 September 2017.

INCOME STATEMENT FOR THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2017

		3rd Quarter ended 30 September			Nine Months ended 30 September		
		2017	2016	+/(-)	**2017**	2016	+/(-)
	Notes	**$'000**	$'000	%	**$'000**	$'000	%
Turnover		**86,423**	87,745	(1.5%)	**246,462**	236,966	4.0%
Other operating income	A	**1,083**	50	2066.0%	**1,235**	440	180.7%
Changes in inventories of finished goods and work-in-progress, raw materials and consumables used and finished goods purchased		**(71,836)**	(69,536)	3.3%	**(201,270)**	(184,524)	9.1%
Employee benefits expense	B	**(4,963)**	(5,201)	(4.6%)	**(15,002)**	(16,147)	(7.1%)
Depreciation and amortisation	C	**(2,474)**	(2,781)	(11.0%)	**(7,583)**	(7,940)	(4.5%)
Insurance, freight and transportation	D	**(796)**	(1,001)	(20.5%)	**(2,185)**	(2,835)	(22.9%)
Rental and utilities	E	**(1,626)**	(1,460)	11.4%	**(4,691)**	(4,890)	(4.1%)
Repair and maintenance	F	**(631)**	(799)	(21.0%)	**(2,009)**	(2,397)	(16.2%)
Other operating expenses	G	**(2,297)**	(1,967)	16.8%	**(6,823)**	(5,818)	17.3%
Financial expense	H	**(597)**	(244)	144.7%	**(1,544)**	(1,110)	39.1%
Financial income	I	**119**	82	45.1%	**214**	166	28.9%
Share of results of associate	J	**(14)**	(16)	(12.5%)	**(1)**	115	n.m
Profit before tax		**2,391**	4,872	(50.9%)	**6,803**	12,026	(43.4%)
Income tax expense		**(505)**	(857)	(41.1%)	**(1,296)**	(2,073)	(37.5%)
Profit attributable to equity holders of the Company		**1,886**	4,015	(53.0%)	**5,507**	9,953	(44.7%)

STATEMENTS OF COMPREHENSIVE INCOME FOR THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2017

	3rd Quarter ended 30 September			Nine Months ended 30 September		
	2017	2016	+/(-)	**2017**	2016	+/(-)
	$'000	$'000	%	**$'000**	$'000	%
Profit attributable to equity holders of the Company	**1,886**	4,015	(53.0%)	**5,507**	9,953	(44.7%)
Other comprehensive income (Item that may be reclassified subsequently to profit or loss):-						
- Foreign currency translation reserve	**577**	284	103.2%	**(36)**	(761)	(95.3%)
Total comprehensive income attributable to equity holders of the Company	**2,463**	4,299	(42.7%)	**5,471**	9,192	(40.5%)

1(a)(ii) **Notes to the Income Statement**

	3rd Quarter ended 30 September			Nine Months ended 30 September		
	2017	2016	+/(-)	**2017**	2016	+/(-)
A) Other operating income comprises the following:	**$'000**	$'000	%	**$'000**	$'000	%
- Reversal of impairment loss on trade receivables	**-**	-	n.m	**-**	14	(100.0%)
- Gain on disposal of property, plant and equipment,net	**106**	3	3433.3%	**106**	3	3433.3%
- Write-back of provision for cargo handling costs	**942**	-	n.m	**942**	-	n.m
- Rental income	**35**	35	0.0%	**105**	105	0.0%
- Sundry income	**-**	12	(100.0%)	**82**	318	(74.2%)
	1,083	50	2066.0%	**1,235**	440	180.7%

B) Employee benefits expense decreased by 4.6% in 3rd Quarter 2017 and 7.1% in the nine months ended 30 September 2017 mainly due to reduction in employee headcount in line with lower volume in Fabrication & Manufacturing business.

C) Depreciation and amortisation expense decreased by 11.0% in 3rd Quarter 2017 and 4.5% in the nine months ended 30 September 2017 due to reduction in acquisition of fixed assets.

D) Insurance, freight and transportation decreased by 20.5% in 3rd Quarter 2017 and 22.9% in the nine months ended 30 September 2017 due to decrease in transportation cost in line with lower tonnage delivered as well as lower costs from outsourcing of transport services.

E) For 3rd Quarter 2017, rental and utilities increased by 11.4% mainly due to lower rental for low inventory levels in the corresponding quarter last year. For the nine months ended September 2017, rental and utilities decreased by 4.1% as the Group streamlined its warehouse operations in the Fabrication & Manufacturing business.

F) Repair and maintenance decreased by 21.0% in 3rd Quarter 2017 and 16.2% in the nine months ended 30 September 2017 due to lower costs incurred for upkeeping and servicing machineries and motor vehicles in the Fabrication & Manufacturing business.

	3rd Quarter ended 30 September			Nine Months ended 30 September		
	2017	2016	+/(-)	**2017**	2016	+/(-)
	$'000	$'000	%	**$'000**	$'000	%
G) Other operating expenses include:						
- Worker's dormitories and related costs	**150**	391	(61.6%)	**463**	1,215	(61.9%)
- Tools and consumables	**283**	353	(19.8%)	**1,435**	1,005	42.8%
- Insurance	**325**	207	57.0%	**983**	864	13.8%
- Bank charges	**19**	25	(24.0%)	**76**	69	10.1%
- Trade commission	**70**	244	(71.3%)	**278**	403	(31.0%)
- Professional fees	**133**	88	51.1%	**289**	310	(6.8%)
- Travelling	**124**	153	(19.0%)	**357**	472	(24.4%)
- Printing and stationery	**45**	50	(10.0%)	**289**	277	4.3%
- Net loss in foreign exchange	**89**	104	(14.4%)	**355**	142	150.0%
- Property, plant and equipment written off	**-**	1	(100.0%)	**-**	4	(100.0%)
- (Reversal of impairment)/impairment loss of trade receivables	**(168)**	-	n.m	**181**	6	2916.7%
- Gain on disposal of property, plant and equipment, net	**(18)**	-	n.m	**-**	-	n.m
- Loss on liquidation of a subsidiary	**759**	-	n.m	**759**	-	n.m
- Other miscellaneous expenses	**486**	351	38.5%	**1,358**	1,051	29.2%
	2,297	1,967	16.8%	**6,823**	5,818	17.3%

H) Financial expense increased by 144.7% in 3rd Quarter 2017 and 39.1% in the nine months ended 30 September 2017 mainly due to higher trade financing in Fabrication & Manufacturing business.

I) Financial income increased by 45.1% in 3rd Quarter 2017 and 28.9% in the nine months ended 30 September 2017 due to increase in interest income from banks.

J) For 3rd Quarter 2017, share of loss of associate decreased by 12.5% compared with the corresponding quarter last year. For the nine months ended 30 September 2017, share of loss of associate was $1k compared with share of profit of associate of $115k in the corresponding period last year. These were due to the last unit of our joint venture executive condominium project, Austville Residences being sold in April 2017 compared with 3 units sold in the first half of last year.

K) n.m means not meaningful

1(b)(i) STATEMENTS OF FINANCIAL POSITION

		Group		Company	
		30.09.2017	31.12.2016	**30.09.2017**	31.12.2016
ASSETS	**Notes**	**$'000**	$'000	**$'000**	$'000
Non-current assets					
Properties, plant and equipment		**49,954**	53,750	**3,860**	3,976
Investment property		**1,886**	1,918	**-**	-
Investment in subsidiaries	1	**-**	-	**17,681**	20,381
Investment in associate		**1,745**	1,745	**-**	-
Club memberships		**395**	440	**120**	127
Deferred tax assets		**693**	693	**-**	-
		54,673	58,546	**21,661**	24,484
Current assets					
Inventories		**76,528**	79,177	**-**	-
Trade receivables	2	**67,371**	57,129	**-**	-
Other receivables and deposits	3	**1,989**	250	**8**	8
Prepayments		**466**	635	**22**	4
Asset held for sale	4	**19,364**	14,424	**-**	-
Forward exchange contracts		**600**	600	**-**	-
Due from subsidiaries (non trade)		**-**	-	**23,939**	18,509
Fixed deposits		**17,651**	28,758	**-**	8,500
Cash and bank balances		**44,101**	69,081	**3,740**	1,272
		228,070	250,054	**27,709**	28,293
Total assets		**282,743**	308,600	**49,370**	52,777

	Notes	Group 30.09.2017	Group 31.12.2016	Company 30.09.2017	Company 31.12.2016
		$'000	$'000	**$'000**	$'000
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables		**3,901**	4,383	**21**	23
Bills payable to banks (secured)	5	**61,477**	77,311	**-**	-
Other payables and accruals	6	**7,352**	9,854	**292**	283
Advance payment from customers	7	**2,180**	354	**-**	-
Provision for onerous contracts	8	**12,287**	14,287	**-**	-
Hire purchase creditors		**3,921**	4,802	**-**	-
Bank term loans (secured)		**271**	2,708	**-**	-
Income tax payable		**4,483**	5,231	**284**	316
		95,872	118,930	**597**	622
Net current assets		**132,198**	131,124	**27,112**	27,671
Non-current liabilities					
Hire purchase creditors		**4,310**	4,514	**-**	-
Deferred tax liabilities		**278**	277	**278**	278
		4,588	4,791	**278**	278
Total liabilities		**100,460**	123,721	**875**	900
Net assets		**182,283**	184,879	**48,495**	51,877
Equity attributable to equity holders of the Company					
Share capital		**46,473**	46,473	**46,473**	46,473
Retained earnings		**140,052**	142,612	**2,022**	5,404
Foreign currency translation reserve		**(4,242)**	(4,206)	**-**	-
		182,283	184,879	**48,495**	51,877

1(b)(ii) Notes to the Statements of Financial Position

1) Investment in subsidiaries decreased by $2.7m due to the member's voluntary liquidation of a wholly-owned dormant subsidiary, Steel Park Resouces Pte Ltd in May 2017.

2) Trade receivables increased by $10.2m mainly due to higher steel prices in 3rd Quarter 2017.

3) Other receivables and deposits increased by $1.7m mainly due to trade credit insurance claims.

4) Asset held for sale increased by $4.9m due to the additional costs incurred on redevelopment of new luxury bungalows.

5) Bills payable to banks decreased by $15.8m mainly due to repayment of bank borrowings using cash surplus. Correspondingly, fixed deposits and cash and bank balances have also decreased.

6) Other payables and accruals decreased by $2.5m mainly due to settlement of balances owing to other creditors.

7) Advance payment from customers increased by $1.8m due to advance payment received for our property development business.

8) Provision for onerous contracts decreased by $2.0m due to write-back of prior year's provision.

1(b)(iii) Group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30.09.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
65,669	-	84,821	-

Amount repayable after one year

As at 30.09.2017		As at 31.12.2016	
Secured	Unsecured	Secured	Unsecured
$'000	$'000	$'000	$'000
4,310	-	4,514	-

Details of collateral

The Group's bills payable and bank term loans are secured by the following:

(a) corporate guarantees given by the Company and certain subsidiaries to the banks;

(b) letters of negative pledges on the assets of the Company and certain subsidiaries, with the exception of property, plant and equipment under hire purchase arrangements;

(c) a deed of charge and assignment of inventories and floating charge over trade receivables; and

(d) the bank term loan is secured by legal mortgages over the Group's properties, plant and equipment with net book value of $16.2m (31 Dec 2016: $17.8m).

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS FOR THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2017

		3rd Quarter ended 30 September		Nine Months ended 30 September	
		2017	2016	**2017**	2016
	Notes	**$'000**	$'000	**$'000**	$'000
Operating activities					
Profit before tax		**2,391**	4,872	**6,803**	12,026
Adjustments for:					
Amortisation of club memberships		**15**	17	**46**	50
Depreciation of property, plant and equipment		**2,448**	2,753	**7,505**	7,858
Depreciation of investment property		**11**	11	**32**	32
Property, plant and equipment written off		**-**	1	**-**	4
Gain on disposal of property, plant and equipment, net		**(124)**	(3)	**(106)**	(3)
Interest expense		**597**	244	**1,544**	1,110
Interest income		**(119)**	(82)	**(214)**	(166)
Foreign currency translation adjustments		**648**	72	**(17)**	(824)
Share of results of associate		**14**	16	**1**	(115)
Impairment loss of trade receivables		**(168)**	-	**181**	6
(Write-back of provision)/provision for onerous contracts		**(1,000)**	6,188	**(2,000)**	6,188
Operating cash flows before changes in working capital		**4,713**	14,089	**13,775**	26,166
(Increase)/decrease in:					
Inventories		**38,893**	(44,226)	**2,646**	11,381
Trade receivables		**(9,804)**	(7,688)	**(10,423)**	1,981
Other receivables, deposits and prepayments		**592**	221	**(1,568)**	588
Increase/(decrease) in:					
Trade payables		**(794)**	(988)	**(482)**	(21,963)
Other payables and accruals		**1,216**	2,791	**(677)**	1,221
Cash flows from operations		**34,816**	(35,801)	**3,271**	19,374
Interest paid		**(597)**	(244)	**(1,544)**	(1,110)
Interest received		**119**	82	**214**	166
Income taxes paid		**(440)**	(1,042)	**(2,044)**	(2,526)
Net cash flows from/(used in) operating activities	9	**33,898**	(37,005)	**(103)**	15,904
Investing activities					
Purchase of property, plant and equipment		**(444)**	(153)	**(1,089)**	(2,438)
Proceeds from disposal of property, plant and equipment		**120**	9	**355**	9
Addition to asset held for sale		**(2,648)**	(470)	**(4,940)**	(757)
Net cash flows used in investing activities	10	**(2,972)**	(614)	**(5,674)**	(3,186)
Financing activities					
Decrease in fixed deposits - pledged		**-**	450	**-**	450
(Decrease)/increase in bills payable to banks (secured)		**(65,512)**	44,693	**(15,834)**	(1,397)
Repayment of bank term loans		**(812)**	(812)	**(2,437)**	(13,337)
Repayment of hire purchase		**(1,319)**	(1,356)	**(3,960)**	(4,034)
Dividends paid on ordinary shares		**(2,373)**	(2,373)	**(8,067)**	(8,067)
Net cash flows (used in)/from financing activities	11	**(70,016)**	40,602	**(30,298)**	(26,385)
Net (decrease)/increase in cash and cash equivalents		**(39,090)**	2,983	**(36,075)**	(13,667)
Effect of exchange rate changes on cash and cash equivalents		**(67)**	209	**(13)**	48
Cash & cash equivalents at beginning of the year		**100,909**	79,196	**97,840**	96,007
Cash & cash equivalents at end of the period	12	**61,752**	82,388	**61,752**	82,388

1(c)(i) Notes to the Consolidated Statement of Cash Flows

9) For 3rd Quarter 2017, net cash flows from operating activities was $33.9m compared with net cash flows used in operating activities of $37.0m. This was mainly due to decrease in inventories. For the nine months ended 30 September 2017, net cash flows used in operating activities was $0.1m compared with net cash flows from operating activities of $15.9m. This was mainly due to increase in trade receivables.

10) Net cash flows used in investing activities in 3rd Quarter 2017 increased by $2.4m, from $0.6m to $3.0m. For the nine months ended 30 September 2017, net cash flows used in investing activities increased by $2.5m, from $3.2m to $5.7m. These were mainly due to addition to asset held for sale.

11) For 3rd Quarter 2017, net cash flows used in financing activities was $70.0m compared with net cash flows from financing activities in 3rd Quarter 2016 of $40.6m. This was mainly due to decrease in bills payable to banks. For the nine months ended 30 September 2017, net cash flows used in financing activities increased by $3.9m, from $26.4m to $30.3m. This was mainly due to decrease in bills payable to banks and lower redemption of bank term loans .

12) Cash and cash equivalents as at 3rd Quarter comprised the following:-

	2017	**2016**
	$'000	$'000
Cash and bank balances	**44,101**	53,268
Fixed deposits	**17,651**	29,120
	61,752	82,388

1(d)(i) STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company			
GROUP	**Share Capital**	**Translation Reserve**	**Revenue Reserve**	**Total Equity**
	$'000	**$'000**	**$'000**	**$'000**
Balance as at 01.01.2017	**46,473**	**(4,206)**	**142,612**	**184,879**
Changes in equity for the period:				
Total comprehensive income for the period	**-**	**(36)**	**5,507**	**5,471**
Dividends on ordinary shares	**-**	**-**	**(8,067)**	**(8,067)**
Balance as at 30.09.2017	**46,473**	**(4,242)**	**140,052**	**182,283**
Balance as at 01.01.2016	46,473	(4,529)	138,791	180,735
Changes in equity for the period:				
Total comprehensive income for the period	-	(761)	9,953	9,192
Dividends on ordinary shares	-	-	(8,067)	(8,067)
Balance as at 30.09.2016	46,473	(5,290)	140,677	181,860

COMPANY	**Share Capital**	**Revenue Reserve**	**Total Equity**
	$'000	**$'000**	**$'000**
Balance as at 01.01.2017	**46,473**	**5,404**	**51,877**
Changes in equity for the period:			
Total comprehensive income for the period	**-**	**4,685**	**4,685**
Dividends on ordinary shares	**-**	**(8,067)**	**(8,067)**
Balance as at 30.09.2017	**46,473**	**2,022**	**48,495**
Balance as at 01.01.2016	46,473	6,114	52,587
Changes in equity for the period:			
Total comprehensive income for the period	-	4,501	4,501
Dividends on ordinary shares	-	(8,067)	(8,067)
Balance as at 30.09.2016	46,473	2,548	49,021

1(d)(ii) Changes in Share Capital

Share Capital	Number of shares	$'000
Ordinary share issued & fully paid		
Balance as at 01.01.2017 & 30.09.2017	**474,551,093**	**46,473**

There was no movement in the issued and paid-up capital of the Company since 31 December 2016.

There were no outstanding convertibles as at 30.09.2017 (30.09.2016: Nil).

The Company has no treasury shares as at 30.09.2017 (30.09.2016: Nil).

2 Audit

The financial statements have not been audited nor reviewed by the Company's auditor.

3 Auditor's Report

Not Applicable.

4 Accounting Policies

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the current financial year as with those in the most recently audited financial statements as at 31 December 2016.

5 Changes in Accounting Policies

In the current year, the Group has adopted all the new/revised Financial Reporting Standards which took effect for annual periods beginning on or after 1 January 2017. The adoption of the above FRS did not result in any substantial change to the Group's accounting policies.

6 Earnings per ordinary share of the group

	3rd Quarter ended 30 September		Nine Months ended 30	
	2017	2016	**2017**	2016
Earnings per ordinary share for the period based on net profit attributable to equity holders:-				
(a) On weighted average number of ordinary shares in issue	**0.40cents**	0.85cents	**1.16cents**	2.10cents
(b) On a fully diluted basis	**0.40cents**	0.85cents	**1.16cents**	2.10cents

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of ordinary shares issued during 3Q17 and 9M17 of 474,551,093 shares (3Q16 and 9M16: 474,551,093 shares).

There is no difference between the basic and diluted earnings per share.

7 Net asset value per ordinary share

	Group as at:		Company as at:	
	30.09.2017	31.12.2016	**30.09.2017**	31.12.2016
Net asset value per share based on existing issued share capital as at end of the respective dates	**38.41cents**	38.96cents	**10.22cents**	10.93cents

Net asset value is computed based on the number of shares in issue as at 30 September 2017 & 31 December 2016 of 474,551,093 shares.

8 Performance Review

For 3rd Quarter 2017, the Group's turnover decreased marginally by 1.5% to $86.4m from $87.7m in the corresponding quarter last year. The lower turnover was attributable to the winding down of Steel Merchandising business in December 2016, and Fabrication & Manufacturing business which decreased by 0.6% to $86.4m from $86.9m due to lower volume but offset by higher steel prices.

For the nine months ended 30 September 2017, Group's turnover increased by 4.0% to $246.5m from $237.0m in the corresponding period last year. The higher turnover was attributable to Fabrication & Manufacturing business which increased by 5.4% to $246.5m from $233.9m on the back of higher steel prices but offset by lower volume. The increase in turnover for Fabrication & Manufacturing business was slightly offset by the winding down of Steel Merchandising business in December 2016.

The Group's gross profit margins as a percentage of turnover in 3rd Quarter 2017 and the nine months ended 30 September 2017 were 16.9% and 18.3% respectively, lower than the corresponding period last year of 20.8% and 22.1%. These were due to lower tonnages delivered for value added components in the Fabrication & Manufacturing business.

The decrease in tonnages delivered in the Fabrication & Manufacturing business has resulted in corresponding decrease in costs in the following areas:

Employee benefits expense;

Depreciation and amortisation;

Insurance, freight and transportation;

Rental and utilities; and

Repair and maintenance

Other operating expenses increased by 16.8% in 3rd Quarter 2017 and 17.3% for the nine months ended 30 September 2017. These were mainly due to loss on liquidation of a subsidiary.

Share of loss of associate decreased by 12.5% in 3rd Quarter 2017. For the nine months ended 30 September 2017, share of loss of associate was $1k compared with share of profit of associate of $115k in the corresponding period last year. These were due to the last unit of our joint venture executive condominium project, Austville Residences being sold in April 2017 compared to 3 units sold in the first half of last year.

The Group's profit attributable to equity holders of the Company was $1.9m in 3rd Quarter 2017 and $5.5m for the nine months ended 30 September 2017, a decrease of 53.0% from the corresponding quarter last year of $4.0m and 44.7% from the corresponding period last year of $10.0m.

Cashflow

For the nine months ended 30 September 2017, net cash flows used in operating activities amounted to $0.1m. This was mainly due to the increase in trade receivables. Net cash flows used in investing activities amounted to $5.7m. This was mainly due to addition to asset held for sale. With net cash flows used in financing activities of $30.3m, cash and cash equivalents as at 30 September 2017 was $61.8m, down from $97.8m as at 1 January 2017.

Balance Sheet

The Balance Sheet remained strong. The net asset value per share for the Group as at 30 September 2017 was 38.41 cents, slightly lower than 38.96 cents as at 31 December 2016.

9 Variance from Prospect Statement

No variance from previous statement.

10 Prospect Statement

The construction sector has been contracting for several quarters, largely due to the drop in private sector projects. The recent government measures to bring forward public infrastructure projects coupled with the surge in residential collective sale transactions should increase demand for building works which in turn will augur well for our value added activities.

11 Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim paid on 23 June 2017	Interim paid on 13 September 2017	Interim payable on 8 December 2017
Dividend Type	Cash	Cash	Cash
Dividend Rate	0.20 cent per ordinary share	0.50 cent per ordinary share	0.30 cent per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt	One-tier tax exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim paid on 24 June 2016	Interim paid on 15 September 2016	Interim paid on 9 December 2016
Dividend Type	Cash	Cash	Cash
Dividend Rate	0.20 cent per ordinary share	0.50 cent per ordinary share	0.30 cent per ordinary share
Tax Rate	One-tier tax exempt	One-tier tax exempt	One-tier tax exempt

(c) Date payable

8 December 2017.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on 22nd November 2017 after 5.00 p.m. for the purpose of determining shareholders' entitlement to the interim dividend.

Duly completed registrable transfers in respect of shares of the Company received by the Company's Share Registrar, KCK CorpServe Pte. Ltd., of 333 North Bridge Road KH Kea Building #08-00, Singapore 188721 up to 5.00 p.m. on 22nd November 2017 will be registered to determine Members' entitlements to such dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited ("CDP") are credited with shares of the Company as at 5.00 p.m. on 22nd November 2017 will be entitled to the such proposed dividend. In this respect, the said dividend will be paid by the Company to CDP which will distribute the dividend to holders of the securities accounts.

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

Not applicable.

13 Interested Person Transactions

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

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

We, Lee Lin Poey and Lee Heng Thiam, being two directors of Lee Metal Group Ltd, do hereby confirm on behalf of the Board of Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the 3rd Quarter ended 30 September 2017 to be false or misleading in any material aspects.

15 Confirmation pursuant to Rule 720(1) of the SGX Listing Manual

The Group confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the listing manual.

BY ORDER OF THE BOARD

Foo Soon Soo
Company Secretary
10 November 2017