LH GROUP LIMITED
Reg. No.: 198203779D

QUERY FROM SGX

We refer to SGX queries on our announcement on 10 November 2014 and append further explanations below:

1. **We note a significant increase in "due to customers on construction contracts" from $2.455 million as at 31 December 2013 to $4.293 million as at 30 September 2014. To elaborate and explain the reasons for the significant increase in "due to customers on construction contracts".**

   The increase in "due to customers on construction contracts" was due mainly to increase in accrual for project costs for the Aluminium Division. This increase in accruals is in line with the revenue growth to $11.0 million in 3Q2014 from $2.9 million in 3Q2013 for the Division.

On behalf of the Board of Directors of

LH Group Limited
Tan Hai Peng Micheal
Executive Chairman

Dated: 25 November 2014