HLH Group Limited
(Incorporated in the Republic of Singapore)
(Company Registration No: 199905292D)

RESPONSE TO SGX QUERIES FROM SGX-ST ON THE ADDITIONAL DISCLOSURE IN RELATION TO THE CORPORATE GOVERNANCE STATEMENT IN THE ANNUAL REPORT OF HLH GROUP LIMITED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The Board of Directors of HLH Group Limited (the "Company") wishes to announce the following information in response to SGX-ST's queries received on 11 April 2014 regarding the Corporate Governance Statement in the Annual Report of the Company for the financial year ended 31 December 2013 which was submitted to SGX-ST on 3 April 2014:-

1) **The Code of Corporate Governance will take effect in respect of Annual Reports relating to financial years commencing from 1 November 2012. Guideline 9.2 of the Code of Corporate Governance states that companies should fully disclose the remuneration of each individual director and the CEO on a named basis. As required by Rule 1207(12) of the Listing Manual, please make disclosure as recommended in the Code or otherwise explain the reason(s) for the deviation from the Code.**

   Given the highly competitive industry conditions, the Company believes that it is not in the best interests of the Company to disclose remuneration of each individual Director and the CEO on a named basis. The Company is instead disclosing the Directors' remuneration in bands of S$250,000 and the breakdown (in percentage) of the Directors' remuneration as per the table set out on page 17 of the Annual Report for the year ended 31 December 2013.

2) **On Page 17 of the Annual Report, we note that "Over and above the salary, bonus and other benefits, Dato' Dr. Ong Bee Huat, Johnny, the Deputy Chairman and Chief Executive Officer of the Company is entitled to the benefit of the use of a motor vehicle during his three (3) years service contract signed with the Company whereby the motor vehicle shall beneficially belong to him upon the completion of the service contract. In addition, the service contract of Dato' Dr. Ong Bee Huat, Johnny also includes a profit sharing element which is related to the performance of the Group." Please elaborate on the profit sharing element which is related to the performance of the Group.**

   The profit sharing element in respect of each financial year shall be computed based on 5% of the Group's net profit before tax, excluding any extraordinary items and the sum set aside for the Executive profit sharing.

By Order of the Board

Helen Campos
Company Secretary
14 April 2014