

HAI LECK HOLDINGS LIMITED
(Company Registration No. 199804461D)
(Incorporated in the Republic of Singapore)
(the "Company")

RESPONSE TO SGX QUERIES

The Board of Directors (the "**Board**" or "**Directors**") of Hai Leck Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**"), refers to queries raised by SGX-ST in respect of the Company's announcement on 10 February 2022 relating to the Group's unaudited financial results for the half year ended 31 December 2021 ("**1H2021 Financial Statements**").

The Company wishes to respond to the queries as follows:

- (i) It was disclosed in the unaudited 1H2021 Financial Statements that the Company reported a decrease in the "Other receivables and deposits" financial statement line item under its non-current assets from S\$141,000 as at 30 June 2021 to S\$134,000 as at 31 December 2021.

In this regard, please disclose:

- (a) The nature and breakdown of the Group's "Other receivables and deposits";

Company's response

The breakdown of the non-current portion of the Group's "Other receivables and deposits" is as follows:

	30 Dec 2021 S\$'000	30 Jun 2021 S\$'000
Rental deposits	117	117
Advances to staff	17	24
	<u>134</u>	<u>141</u>

- (b) The underlying transactions and terms of the transactions (including contract sum) and payment terms of the underlying contracts;

Company's response

Non-current rental deposits relate to deposits paid to landlords in respect of office premises with lease terms expiring more than 1 year from the balance sheet date. The rental deposits are typically equivalent to rental for one month.

Non-current portion of advances to staff relate to the portion of salary advances given to staff which will be repaid more than 1 year from the balance sheet date.

- (c) Aging of the Group's other receivables;

Company's response

In view of the nature of these other receivables mentioned above, it is not meaningful to present an aging.

- (d) The Group's plans to recover these other receivables; and

Company's response

The rental deposits will be recovered from the respective landlords upon expiry of the rental period. In respect of the advances to staff, monthly instalment payments are deducted from the respective staff's salaries.

(e) The Board's assessment on the recoverability of these other receivables.

Company's response

The Board is of the view that these other receivables have no recoverability issues.

BY ORDER OF THE BOARD

Cheng Buck Poh
Executive Chairman and Chief Executive Officer

2 March 2022