

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

**REPLY TO SGX QUERY REGARDING FINANCIAL RESULTS ANNOUNCEMENT FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2014 (“FY2014 RESULTS ANNOUNCEMENT”)**

The Board of Directors of Hai Leck Holdings Limited (the “Company”) would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (“SGX-ST”) dated 3 September 2014 (“SGX Query”) as follows:

SGX Query 1:

It is noted that the Group’s (a) inventory and (b) other receivables and deposits as at 30 June 2014 have increased significantly by 160% and 203% respectively from 30 June 2013. Please provide a discussion of the factors that resulted in the increase in (a) inventory and (b) other receivables and deposits.

Company’s response:

The Group wishes to explain that the increase is due to the following factors:-

- (a) More inventories were purchased for preparation of the up-coming new projects.
- (b) The increase in other receivables and deposits are due to reclassification of retention sum due from customers from non-current asset to current assets as the monies are receivable within 12 months.

SGX Query 2:

We refer to the Company’s disclosure on the utilisation of Warrants Issue Proceeds in Paragraph 8 of the Results Announcement and in an announcement dated 12 May 2014. In the last update by the Company on the use of Warrants Issue Proceed on 12 May 2014 (“12 May 2014 Announcement”), it was disclosed that the Company raised net proceeds of about S\$10 million and has remaining S\$2.4 million deposited in banks pending utilization. Please provide an update and details on how the remaining S\$2.4 million has been utilised.

Company’s response:

Further to the Company’s announcement dated 12 May 2014, the Company would like to provide an update on the use of the remaining net proceeds amounting to S\$2.4 million (after deducting related expenses incurred in connection with the warrants issue) (the “Net Proceeds”) as follows:- .

We invested \$2.4 million in property, plant and equipment in the fourth quarter. In total, we have utilised all proceeds of \$10.1 million in property, plant and equipment as stated in our current announcement.

SGX Query 3:

Paragraph 9 of the Results Announcement requires the Company to comment whether the current results are in line with the Company's commentary in Paragraph 10 of 3Q FY2014 results announcement. Please provide.

Company's response:

The current results are in line with the Company's commentary in Paragraph 10 of 3Q FY2014 results announcement.

By Order of the Board of
HAI LECK HOLDINGS LIMITED

Cheng Yao Tong
Chief Executive Officer

4 September 2014