

LERENO BIO-CHEM LTD.
(Company Registration No. 197401961C)
(Incorporated in the Republic of Singapore)

PROPOSED ACQUISITION OF SHARES REPRESENTING 60% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF HTWO EDUCATION HOLDINGS PTE. LTD.

– TERMINATION OF SALE AND PURCHASE AGREEMENT

1 INTRODUCTION

The Board of Directors (the “**Board**”) of Lereno Bio-Chem Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), refers to the announcement dated 30 June 2015 (the “**Announcement**”) in relation to the sale and purchase agreements (the “**SPAs**”) entered into with each of (i) Venstar Investments Ltd and Venstar Investments II Ltd and (ii) Dr Yap Soon Guan (collectively, the “**Vendors**”) to acquire ordinary shares in HTwo Education Holdings Pte. Ltd. (the “**Target Company**”) collectively representing 60% of the issued and paid-up capital of the Target Company (the “**Sale Shares**”). Unless otherwise defined herein, all capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

2 TERMINATION OF THE PROPOSED ACQUISITION

The Board wishes to announce that the Proposed Acquisition has been mutually terminated with effect from 13 May 2016 as it is unlikely that the conditions precedent in the SPAs will be fulfilled by the long-stop date of 28 June 2016. Accordingly, the SPAs will cease to have any effect, and the parties shall have no further obligations or claims against each other thereunder.

3 TERMINATION NOT EXPECTED TO HAVE ANY MATERIAL FINANCIAL IMPACT

The termination of the SPAs is not expected have any material effect on the Company’s performance for the financial year ending 31 March 2016.

4 DIRECTORS AND SHAREHOLDERS’ INTERESTS

Save as disclosed in this announcement, none of the Directors, controlling shareholders or substantial shareholders of the Company has an interest, direct or indirect, in the termination of the Proposed Acquisition (other than through their respective shareholdings in the Company).

5 FUTURE PLANS

The Company is currently looking out for and evaluating opportunities, including but not limited to potential mergers and acquisitions targets. The completion of these potential mergers and acquisition(s) may or may not result in a reverse takeover. The Company intends to move quickly to facilitate the entry into a sale and purchase agreement pertaining to such mergers and acquisition(s) and is likely to apply for an extension pursuant to Rule 1017(2) of the Catalyst Rules.

6 CAUTIONARY STATEMENT

Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board of Directors
LERENO BIO-CHEM LIMITED

Ong Puay Koon
Managing Director and Chief Executive Officer
16 May 2016

This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is:-

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