



CONSTRUCTION GROUP LTD
(Company Registration No.: 201301440Z)
(Incorporated in the Republic of Singapore)

CLARIFICATION ON ANUNAL REPORT 2015

Soilbuild Construction Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) has on 11 April 2016 received the following queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on the annual report of the Company for the financial year ended 31 December 2015 (“**FY2015**”):

1. *“Pursuant to Guideline 11.3 of the Code of Corporate Governance 2012, the Board should also comment in the company's Annual Report on whether it has received assurance from the CEO and the CFO: (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and (b) regarding the effectiveness of the company's risk management and internal control systems. We note on page 38 of the Company's annual report that the Executive Director and the key management personnel have provided their confirmation to the Board that to the best of their knowledge, the risk management and internal control system is effective, the financial records have been properly maintained and the financial statements give a true and fair view of the Group and its operations and finances. Please clarify who are the key management and whether the Company's Chief Finance Officer has provided assurance.”*

In response, the Company would like to clarify that the relevant key management personnel who provided the relevant confirmation to the Board pursuant to Guideline 11.3 of the *Code of Corporate Governance 2012* is Mr Wong Yoon Thim. Mr Wong, who carries the occupational title of Director, Corporate Services of the Group, is responsible for the execution and day-to-day operation of various functions of the Group which include finance and accounting, human resource and administration, as well as corporate affairs. Mr Wong also assumes the role of a Chief Financial Officer for the Group.

2. *“Under Use of IPO proceeds on page 44 of the Company's annual report, the Company utilised IPO proceeds for S\$24.4 million working capital. Please provide a breakdown with specific details on the use of IPO proceeds for working capital.”*

In response, the Company would like to clarify that of the S\$24.4 million utilised for working capital purposes, S\$14.4 million were utilised for purchase of supplies and procurement of services from subcontractors while the remaining S\$10.0 million were utilised for payment of a security deposit for a construction project.

BY ORDER OF THE BOARD
SOILBUILD CONSTRUCTION GROUP LTD.

Ho Toon Bah
Executive Director
12 April 2016