立堉集团
LEY CHOON GROUP

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For Immediate Release

Ley Choon wins S$35.3 million PUB water pipeline contract, boosts order book to S$172 million

- **Project involves the supply, laying and installation of approximately 2 km length of a 2.2 m diameter potable water transmission steel pipeline from Jalan Kampong Chantek to Pan Island Expressway/Rifle Range Road.**
- **New pipeline line when completed will improve flow and pressure of water supply servicing residents.**
- **Group to continue to bid for more pipe laying projects leveraging on its technical expertise in pipe-jacking and micro-tunnelling**
- **Unfulfilled order book based on secured contracts reaches S$172 million, keeping Group busy with projects for next two to three years**

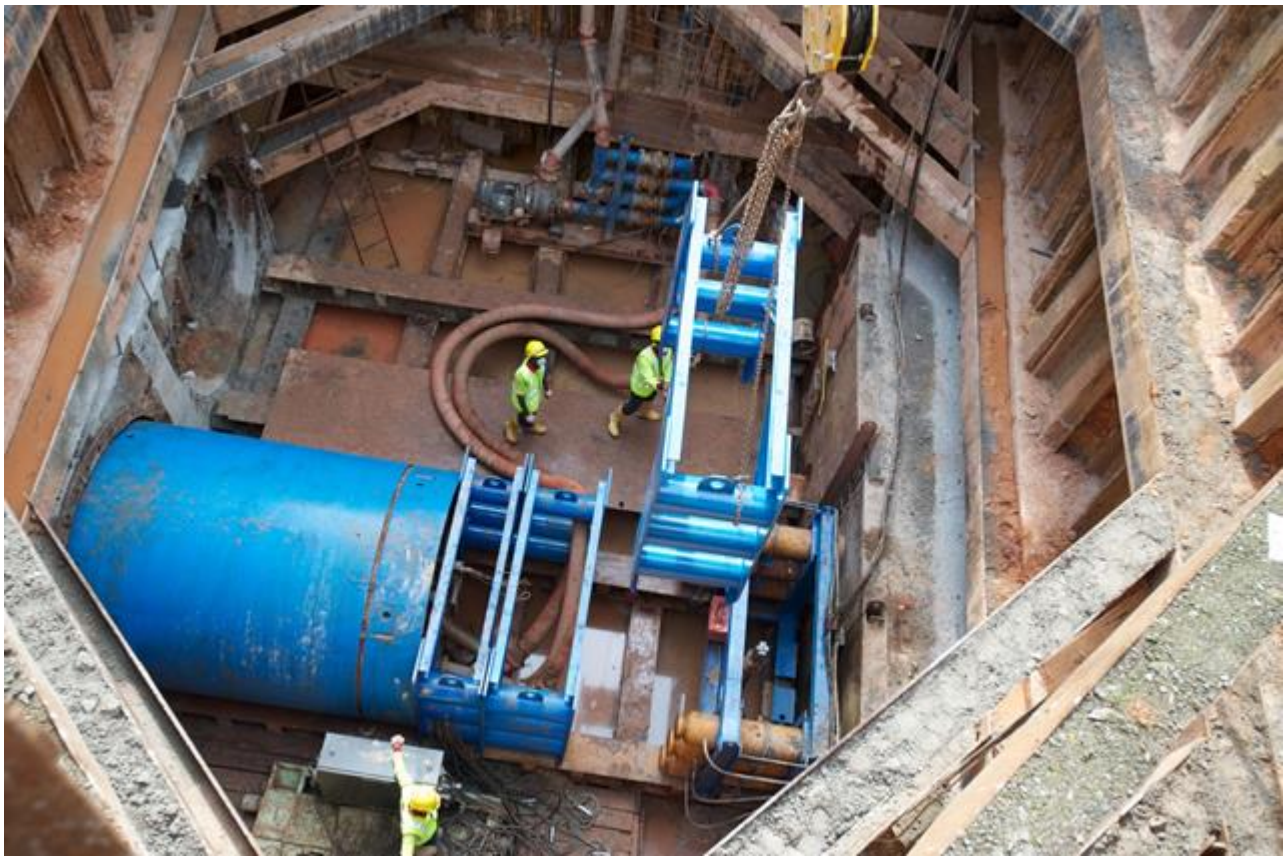
Singapore, 23 August 2016 – SGX-listed Ley Choon Group Holdings Limited (立堉集团控股有限公司) ("Ley Choon" or the "Group"), a leading one-stop service provider for underground utilities construction and road works, was awarded a S$35.3 million contract from the Public Utilities Board ("PUB").

This contract involves the laying and installation of approximately 2 km length of a 2.2 m diameter potable water transmission steel pipeline from Murnane Service Reservoir at Jalan Kampong Chantek to Pan Island Expressway ("PIE")/Rifle Range Road. When completed, this new pipeline line will improve flow and pressure of water supply servicing residents.

For this project, Trenchless technology method will be employed for the pipe laying of 1.5 km using micro-tunnelling boring machine from Germany. Since 2006, Ley Choon has successfully completed a few contracts employing Trenchless technology on similar size of 2.2 m diameter NEWater pipeline within the PUB NEWater networks throughout Singapore. Having done such similar projects before, Ley Choon has gained industry recognition as an expert in this area of wide-diameter pipe-jacking.

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The pipe-jacking method involves the use of a remotely controlled micro-tunnelling boring machine to guide the entire pipe-jacking process. With most activities done sub-surface, dust, noise and disturbance to the surrounding environment and habitat are reduced.



Pipe-jacking in action in a past PUB project by Ley Choon

Mr Toh Choo Huat (卓沭檓), Executive Chairman and CEO of Ley Choon, commented, **"We are pleased to win another pipe-laying project from PUB, a Ley Choon client for more than 26 years. We are recognized in the industry for our years of experience in pipe-jacking and micro-tunnelling trenchless technology which has become one of our key competitive strengths."**

With this contract win, the Group's unfulfilled order book based on secured contracts rose to S$172 million, keeping it busy with projects for the next two to three years.

"We aim to continue to leverage on our expertise in pipe-jacking and micro-tunnelling to tender for more pipe laying projects to strengthen our order book further," Mr Toh added.

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To ensure long-term business sustainability, the Group had commenced a debt restructuring exercise in mid 2015. The Group and its lenders agreed on and signed a term sheet setting out the key terms of the restructuring the debt obligations of the Group which will subsequently be encapsulated in a Debt Restructuring Agreement ("DRA") within a period of 90 days or earlier. The Group is hopeful to complete the signing of the DRA as envisaged. Further, as a part of debt restructuring exercise, the Group is in the midst of divesting its non-core assets. The Group believes that it can allay the concerns of the stakeholders with its strong order book on hand. The restructuring exercise, once completed, will also strengthen the Group's financial position.

Mr Toh added, **"I wish to take this opportunity to thank all our lenders for their continuous support. We are divesting some non-core assets so as to focus on our core business."**

- End -

About Ley Choon Group Holdings Limited

Ley Choon Group Holdings Limited ("Ley Choon" or the "Group") is an established one-stop underground utilities infrastructure construction and road works service provider. Since our inception as Ley Choon Constructions and Engineering Pte Ltd in 1990, we have grown our spectrum of services to encompass:

1) Underground utilities infrastructure construction and maintenance services, which include water pipes, NEWater pipes, high-pressure gas pipes, high-voltage power cables, fibre optic cables and sewer pipeline rehabilitation;

2) Road and airfield pavement construction and maintenance services, which include supply and laying of graded stone, cement treated base, milling and laying of asphalt premix;

3) Construction materials supply services, which include production of asphalt premix and recycled aggregates from construction and demolition waste, production of ready mix concrete and cement bricks.

As a one-stop underground utilities infrastructure construction service provider, our core strengths reside with our technical expertise in underground utilities infrastructure and the in-house supply of asphalt premix and recycled aggregates as raw material.

Ley Choon is one of the few asphalt plant operators available in Singapore. Our 400 tons per hour asphalt plant is currently Singapore's largest in term of production capacity. The built-in recycling feature and the offering of various asphalt premix formulations to meet customer requirements provide us with a competitive advantage.

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Our customers include the Singapore government agencies such as Public Utilities Board, Land Transport Authority, SP PowerAssets Ltd, Housing and Development Board, Urban Redevelopment Authority, Building and Construction Authority ("BCA"), Jurong Town Corporation, as well as the reputable companies such as Changi Airport Group and PowerGas.

As a L6-registered contractor (the highest grade) with the BCA, Ley Choon is able to tender for Singapore's public sector contracts of unlimited value in the categories of cable/pipe-laying and road reinstatement, pipes and other basic construction materials. The Group is also an A1-registered contractor in the category of civil engineering (CW02).

Leveraging on our expertise, the Group has been expanding overseas. The Group has set up its first plant in China, engaging in the construction waste recycling and the development, production and sale of eco-green construction materials. It is also currently undertaking a sewer pipe rehabilitation project in Sri Lanka.

Headquartered in Singapore with total staff strength of over 1,000, we build our technology capabilities by investing in people, and process and system optimisation, such as the application of Enterprise Resource Planning (ERP) system and off-site CCTV monitoring system.

As a testament to our technology advantage and service quality, Ley Choon has been accredited with ISO9001, ISO14001 and OHSAS 18001 and was awarded the "Enterprise 50 Award" in 2010.

Ley Choon was listed on the Main Board of SGX-ST in August 2012 via a reverse takeover of Ultro Technologies Limited.

For more information, please visit www.leychoon.com

Issued for and on behalf of Ley Choon Group Holdings Limited

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