

SGX-Listed Libra Group Completes S\$12M Acquisition for 51%-stake in YC Capital; Eyes Tourism Industry as New Growth Engine

SINGAPORE, 28 March 2018 – SGX Catalist-listed **Libra Group Limited** (“Libra” or the “Group”) announced today it completed the S\$12.0 million acquisition of a 51%-stake in a Malaysia-based tourism and retail-related business, charting a new asset-light growth diversification strategy.

Libra, a Singapore-based integrated building solutions provider, acquired YC Capital Consolidated Sdn. Bhd. (“YC Capital”) from the Company’s Executive Chairman and CEO, Mr Chu Sau Ben, in an all share transaction.

Apart from offering travel and tour agency services in Malaysia, YC Capital also retails luxury items, local herbal products, local delicacies such as bird’s nest, coffee, chocolates and mattresses. These products are sold through four YC Capital subsidiaries located in the Klang Valley. Currently, most of the patrons are tourists from China, as well as Taiwan and Indonesia.

Libra will recognise nine months of revenue and profit from YC Capital for FY2018. In FY2017, Libra posted a net profit of S\$1.6 million on the back of S\$70.5 million revenue.

Mr. Chu said: “While FY2017 marks our fifth consecutive year of profitability, the current business is facing margin pressure due to rising labour and operating costs. We believe YC Capital will be a proxy to Malaysia’s tourism play and marks the start of a transformational catalyst for Libra. Apart from charting a growth strategy in a higher-margin business, YC Capital has the potential to enhance shareholder value.”

“Globally, tourism and travel are emerging as a major business due to the proliferation of regional low-cost carriers and strong growth in international travel,” he added. “We intend to build on the track record and network of YC Capital to increase the product portfolio and expand to other services.”

The consideration of S\$12.0 million has been satisfied through the issue and allotment of 93.75 million new shares at S\$0.128 each, to Mr Chu Sau Ben, giving him a 72.0% stake in the enlarged share capital of Libra, which has increased from 119.54 million shares to 213.29 million shares.

Shareholders of Libra had unanimously approved the acquisition at an Extraordinary General Meeting on 5 February 2018.

– End –

Issued on behalf of the Company by WeR1 Consultants Pte Ltd:

WeR1 Consultants Pte Ltd

Tel: +65 6737 4844

Ian Lau: ianlau@wer1.net

About Libra

Founded in 1997 and based in Singapore, Libra Group Limited ("Libra") is an integrated building solutions company with core businesses in: (i) mechanical and electrical engineering ("M&E") services, (ii) sales and manufacturing of air-conditioning and mechanical ventilation ducts ("ACMV") and trading of ACMV related products, and (iii) building and construction solutions.

In March 2018, Libra completed the acquisition of a 51%-stake in YC Capital Consolidated Sdn Bhd, a tourism business in Malaysia, as part of its new diversification strategy.

Libra listed on the Catalist Board of the Singapore Exchange in 2011.

For more information, please visit: <http://libragroup.com.sg>

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. 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. The Sponsor and the SGX-ST assume 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 Mr Yap Wai Ming:

Tel: 6389 3000

Email: waiming.yap@morganlewis.com