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Ley Choon's Rights Issue Oversubscribed

***150.92% subscription for its Rights Issue received at close of offer;
Net proceeds of S\$8.6 million received after deducting expenses***

Singapore, 18 May 2017 – Catalyst-listed Ley Choon Group Holdings Limited ("Ley Choon" or the "Company", and together with its subsidiaries, the "Group") has successfully closed its Rights Issue on 11 May 2017, enabling the Group to raise net proceeds of approximately S\$8.6 million.

The renounceable non-underwritten one-for-one Rights Issue of up to 592,406,996 new ordinary shares in the capital of the Company at an issue price of S\$0.015 for each Rights Share received a high level of support from shareholders. At the close of the Rights Issue, the Group received valid acceptances and excess applications for 894, 055,236 Rights Shares.

This represents an approximately 150.92% of the total number of Rights Shares available under the Rights Issue.

On the successful conduct of the Rights Issue, Ley Choon's Executive Chairman and Chief Executive Officer, Mr Toh Choo Huat commented, **"On behalf of the Board, I would like to thank our shareholders for their strong support of the Rights Issue. This has enabled us to meet our objective of raising capital pursuant to the debt restructuring agreement with our lenders. Our major controlling shareholders have maintained their shareholding in the Company as a sign of commitment to and confidence of the prospects of our company."**

"With our renewed capital position and funds deployed to support our new projects or investments, I am confident that the Group will be in a stronger position than ever to generate returns to shareholders into the long-term" Mr Toh added.

The total net proceeds of approximately S\$8.6 million was arrived after deducting estimated expenses of approximately S\$0.2 million. Use of net proceeds include the offsetting of Zheng Choon's Outstanding Loan; funding of new projects or when opportunities arise for business expansion; and general working capital.

	Number of Rights Shares	As a percentage of the total number of Rights Shares available under the Rights Issue (%)
Valid Acceptances	550,385,099 ⁽¹⁾	92.91
Excess Applications	343,670,137	58.01
Total	894,055,236	150.92

Note: (1) Includes 296,379,500 Rights Shares accepted and subscribed for by Zheng Choon Holding Pte. Ltd.

Ley Choon's largest shareholder, Zheng Choon Holding Pte. Ltd., has subscribed for its pro-rata entitlement of the Rights Shares under the Rights Issue which amounts to 296,379,500 Rights Shares, as a pledge of support for the Rights Issue and commitment to the Group. Following the close of the Rights Issue, the shareholding of Zheng Choon Holding Pte. Ltd. is maintained at 50.03%.

The Rights Shares, which have been allotted and issued on 18 May 2017, are expected to be listed and quoted on the Singapore Exchange with effect from 9.00 a.m. on or about 19 May 2017.

The Rights Shares, when allotted and issued, will rank *pari passu* in all respects with the then existing issued Shares for any dividends, rights, allotments or other distributions that may be declared or paid so long as the record date for the same falls on or after the date of issue of the Rights Shares.

- 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:

- 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;
- 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;
- 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.

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).

The Group has expanded overseas. The Group has set up a plant in China, engaging in construction waste recycling and the development, production and sale of eco-green construction materials. It has also undertaken a sewer pipe rehabilitation project in Sri Lanka.

For more information, please visit www.leychoon.com

Issued on behalf of Ley Choon Group Holdings Limited By RHT Communications and Investor Relations Pte Ltd

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