

LEY CHOON GROUP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198700318G)

RESPONSE TO SGX-ST'S QUERIES ON Q3FY17 FINANCIAL STATEMENTS

The Board of Directors of Ley Choon Group Holdings Limited (the "**Company**") wishes to announce the following in response to the SGX-ST's queries regarding the Company's announcement titled "Financial Statements and Related Announcement: Third Quarter Results" and dated 13 February 2017 (the "**Q3FY17 Results**"):

SGX-ST's Query 1

In the Company's "Financial Statements and Related Announcement: Second Quarter and/ or Half Yearly Results" announced 14 November 2016, the Company had disclosed that there were no interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920).

However, in the Q3FY17 Results, the Company reported approximately S\$583,000 of interested person transactions for the 9 Months Period ended 31 December 2016 (the "**IPTs**"), with no transactions for the 3rd Quarter ended 31 December 2016.

Please explain the discrepancies in the reported IPTs.

Company's response

Sing & San Construction Pte Ltd ("**SSCPL**"), Harribell Pte Ltd ("**HPL**"), Zheng Choon Holding Pte Ltd ("**ZCHPL**") and Pan Asian Holdings Limited ("**PAHL**") are considered "interested persons" within the meaning of Chapter 9, Section B of the Listing Manual of the SGX-ST ("**Catalist Rules**").

During the 9 months period ended 31 December 2016 ("**9MFY17**"), the Group made purchases of approximately S\$131,000 from SSCPL. These purchases comprised (i) purchases from SSCPL in the first quarter of the financial year ending 31 March 2017 ("**Q1FY17**") of approximately S\$36,000 and (ii) purchases from SSCPL in the third quarter of the financial year ending 31 March 2017 ("**Q3FY17**") of approximately S\$95,000.

During 9MFY17, the Group made purchases of approximately S\$176,000 from HPL. These purchases were made entirely in Q3FY17. Due to an inadvertent error in the Q3FY17 Results, the aggregate value of purchases from HPL for Q3FY17 was recorded as nil instead of S\$176,000.

During 9MFY17, ZCHPL rendered services of approximately S\$141,000 in value to the Group. Services of approximately S\$47,000 were rendered to the Group in each of the first 3 quarters of the financial year ending Q3FY17.

During 9MFY17, the Group rendered services of approximately S\$135,000 in value to PAHL. Services of approximately S\$45,000 were rendered to PAHL in each of the first 3 quarters of the financial year ending Q3FY17.

SGX-ST's Query 2

We note that the IPTs amount to more than 3% and 5% of the Group's latest audited net tangible assets of approximately S\$6.03 million.

Please disclose if the IPTs are with the same interested person. If so, please explain how the Company has complied with Listing Rules 905 and 906.

Company's response

The IPTs are with different interested persons as set out in paragraph 13 of the Q3FY17 Results.

The Company has therefore complied with Catalist Rules 905 and 906.

BY ORDER OF THE BOARD

Toh Choo Huat

Executive Chairman and Chief Executive Officer

8 March 2017

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The 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.

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