

LEY CHOON GROUP HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 198700318G)

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL SECTION B: RULES OF CATALIST OF THE SGX-ST

Pursuant to Rule 706A of the Listing Manual Section B: Rules of Catalist of the SGX-ST (the “**Catalist Rules**”), the Board of Directors (“**Board**”) of Ley Choon Group Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the following that took place during the financial year ended 31 March 2022:

Disposal of LCYT

The Company refer to its announcements dated 31 March 2020, 3 April 2020 and 21 May 2021 respectively in relation to the disposal of 60% of the total registered capital of Ley Choon (Yantai) Eco-Green Construction Materials Ltd. (立塔（烟台）环 保建材科技有限公司) (“**LCYT**”).

The Company had on 31 March 2020 entered into a share transfer agreement (the “**Share Transfer Agreement**”) with Yantai Chengtong Building Decoration Engineering Co., Ltd. (烟台晟通建筑装饰工程有限公司) (“**Purchaser A**”) and Yantai Licun Construction Materials Ltd (烟台立春建材有限公司) (“**Purchaser B**”) (collectively, the “**Purchasers**”) to dispose of 45% and 15% of the total registered capital (the “**Sale Shares**”) of LCYT to Purchaser A and Purchaser B respectively for an aggregate consideration of RMB24,000,000 (the “**Consideration**”) (equivalent to approximately S\$4.8 million based on the exchange rate of RMB1.00: S\$0.2016 as at 31 March 2020) (the “**Disposal**”).

The Consideration was arrived at on a willing-buyer and willing-seller basis, taking into consideration, *inter alia*, the net tangible assets of LCYT. The Consideration was paid in three (3) aggregate instalments of RMB5,000,000, RMB5,000,000 and RMB14,000,000 respectively, in cash, by the Purchasers.

On 21 May 2021, the Disposal was completed. The Company only holds 40% of the total registered capital of LCYT and LCYT has ceased to be a subsidiary of the Company. Based on the Company’s audited financial statements for the financial year ended 31 March 2021, the net asset value of the LCYT shares disposed of by the Company was S\$5.1 million.

As disclosed in the Company’s announcement dated 6 August 2021, the Board had on 5 August 2021 entered into an equity transfer agreement (the “**Equity Transfer Agreement**”) with Purchaser A and Purchaser B to dispose the remaining 15% and 25% of the total registered capital of LCYT to Purchaser A and Purchaser B respectively for an aggregate consideration of RMB16,000,000 (equivalent to approximately S\$3.4 million based on the exchange rate of RMB1.00: S\$0.2098 as at 5 August 2021) (the “**Proposed Disposal**”). For

more information, please refer to the announcements on the same matter dated 6 August 2021.

BY ORDER OF THE BOARD

Toh Choo Huat
Executive Chairman and Chief Executive Officer

30 May 2022

*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**").*

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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