SINO CONSTRUCTION LIMITED
中华建筑有限公司

(Incorporated in the Republic of Singapore)
(Company Registration No. 200613299H)

PLACEMENT OF 262,000,000 NEW ORDINARY SHARES AT THE ISSUE PRICE OF S$0.0248 PER SHARE

I. Introduction

The Board of Directors ("Board") of Sino Construction Limited (the "Company" and together with its subsidiaries, the "Group") wishes to announce that it has today entered into share subscription agreements with each of the following individuals (the "Subscribers), pursuant to which the Subscribers will subscribe for, and the Company will allot and issue to the Subscribers, 262 Million new ordinary shares ("Subscription Shares" or each a "Subscription Share") in the capital of the Company.

Name of Subscribers	Number of Shares
1. Lim Swee Yean	50 Million
2. Lee Bu Hua	75 Million
3. Levin Lee Keng Weng	60 Million
4. Wong Meng Choo	77 Million

The issue price of each Subscription Share is S$0.0248, with the aggregate placement consideration amounting to S$6.5 Million.

II. Issue Price

The issue price represents a discount of approximately 9.8% to the weighted average price of S$0.0275 of the Company's ordinary shares for trades done on the Singapore Exchange Securities Trading Limited (**"SGX-ST**") for the full market day on 26 March 2015, being the last full market day immediately preceding the date on which the share subscription agreements were signed.

The issue price was arrived at following arm's length negotiations between the Company and the Subscribers.

III. Placement

The placement is made pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the placement.

The Subscription Shares will only be issued to the Subscribers and will not be issued to any of the persons listed in Rule 812(1)(a) to (d) of the SGX-ST Listing Manual and will be in compliance with Rule 812.

The Subscription Shares, when allotted and issued, shall rank *pari passu* with, and shall carry all rights similar to, the existing issued shares of the Company, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the completion of the placement.

The Company will be making an application to the SGX-ST for the listing of and quotation for the Subscription Shares on the Official List of the SGX-ST.

IV. Authority for Issue of Shares

The Subscription Shares will be issued pursuant to the general share issue mandate approved by shareholders of the Company at the Company's annual general meeting held on 30 May 2014. As at 30 May 2014, the Company had 1,316,763,799 shares in issue. The Company has not issued any new shares from the date of the aforesaid annual general meeting to the date of this announcement.

The Subscription Shares represent approximately 19.90% of the existing issued shares of the Company, and approximately 16.60% of the enlarged issued share capital of the Company on completion of the placement.

V. Conditions Precedent

Completion of the placement is conditional upon:

(a) the approval of the SGX-ST for the listing of and quotation for the Subscription Shares being obtained, and where such approval is subject to conditions, such conditions being reasonably acceptable to the Company and the Subscribers;

(b) the transactions contemplated in the share subscription agreement not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the share subscription agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to either the Company or the Subscribers; and

(c) the representations, warranties and undertakings by the Company and the Subscribers remaining true and correct in all material respects and each of them having performed all of its obligations under the share subscription agreement to be performed on or before completion.

VI. Rationale and Use of Proceeds

The Company's first Micro Power Plant is still on track to be operational in April 2015, with new generators having arrived in Korea. The proceeds will be used to shore up the current financial position of the Company, allow the implementation of the personnel strategy and advance further construction of more micro power plants in South Korea.

VII. Financial Effects

As at the date of this announcement, the issued and paid-up share capital of the Company is S$101,101,098.88 comprising 1,316,763,799 shares. On completion, the issued and paid-up share capital will increase to S$107,601,098.88 comprising 1,578,763,799 shares.

Based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2014:

(a) assuming the placement had taken place on 1 January 2014 with all the Subscription Shares being in issue during the period, the net loss per share of the Group after adjusting for the Subscription Shares will decrease from S$0.002 to S$0.0017; and

(b) assuming the placement had taken place on 31 December 2014, the net asset value per share of the Group after adjusting for the Subscription Shares and the net proceeds of the placement will increase from S$0.002 to S$0.006.

VIII. Interests of Directors and Substantial Shareholders

None of the directors or substantial shareholders of the Company have any interest, direct or indirect, in the placement (other than their direct or indirect shareholdings in the Company).

IX. Document Available for Inspection

A copy of the subscription agreement is available for inspection at 21 Merchant Road #04-01 Singapore 058267 during normal business hours for a period of three (3) months commencing from the date of this announcement.

BY ORDER OF THE BOARD

Drew Ethan Madacsi
Executive Director
30 March 2015