LEY CHOON GROUP HOLDINGS LIMITED

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

INTENTION TO TRANSFER LISTING FROM THE MAIN BOARD OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED TO THE CATALIST SPONSORED REGIME

The Board of Directors of Ley Choon Group Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcements dated 18 December 2015 and 7 January 2016 in relation to the proposed transfer (the "**Proposed Transfer**") of the listing of the Company from the Main Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") to the Catalist Board of the SGX-ST (the "**Catalist**"). The Board wishes to announce that the Company intends to make a re-application to the SGX-ST for the Proposed Transfer.

The Company's current trading price is significantly below the 20 cents minimum trading price requirement ("**MTP Requirement**") as imposed on Main Board listed companies. In a consultation paper issued by the SGX-ST on 23 August 2016, the SGX-ST had proposed to introduce an additional market capitalisation threshold to the MTP Requirement. Issuers will therefore be placed on the watch-list if their volume weighted average price is less than S$0.20 and their average market capitalisation is less than S$40 million over the 6 months preceding each review date. The SGX-ST had also stated that it will not be placing any other issuers on the watch-list based on the existing MTP Requirement, pending review and implementation of any changes resulting from the consultation. The SGX-ST expects to implement the changes (if any) by June 2017. Based on the foregoing, the Company expects that it would have to carry out substantive corporate actions (including without limitation share consolidation, restructuring, business acquisitions) to raise its share price to meet the MTP Requirement if it wishes to remain on the SGX Main Board.

The Board is of the view that the Proposed Transfer and listing on the Catalist will position the Company appropriately and better allow the Company to attract investors in the future. In addition, the Board believes that the business, market capitalisation and risk profile of the Group better resemble that of the companies on the Catalist.

The Proposed Transfer is subject to, *inter alia*, the following:

a) the approval of shareholders of the Company ("**Shareholders**") for the Proposed Transfer at an extraordinary general meeting ("**EGM**") to be convened; and

b) the in-principle approval of the SGX-ST for the Proposed Transfer.

A re-application to the SGX-ST in relation to the Proposed Listing will be made in due course. The Company will announce the outcome of the re-application accordingly. The Company will also update the Shareholders as and when there are any material developments in respect of the Proposed Transfer.

Shareholders and potential investors should exercise caution when trading in the shares as there is no certainty or assurance as at the date of this announcement that approval for the Proposed Transfer will be obtained or if the Proposed Transfer will eventually be undertaken at all.

BY ORDER OF THE BOARD
Toh Choo Huat
Executive Chairman and Chief Executive Officer
15 November 2016