LEY CHOON GROUP HOLDINGS LIMITED

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

USE OF PLACEMENT PROCEEDS

The Board of Directors of the Company (the "**Board**") refers to the Company's announcements released on 9 May 2014, 7 March 2014, 3 October 2013, 19 September 2013, 31 July 2013, 13 August 2013 and 16 August 2013, relating to the Placement (the "**Placement Announcements**") pursuant to which net proceeds of approximately S$15.6 million were raised. Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the Placement Announcements.

The Board wishes to announce that the Company has utilised the remaining amount of approximately S$1.46 million from the Net Proceeds to fund the Group's capital expenditure in the People's Republic of China.

The above utilisation of the Net Proceeds is consistent with the intended use of proceeds disclosed in the Placement Announcements.

BY ORDER OF THE BOARD
Toh Choo Huat
Executive Chairman and Chief Executive Officer
25 August 2014

*DMG & Partners Securities Pte Ltd was the financial adviser to the Company for the acquisition of the entire issued and paid-up share capital of Ley Choon Constructions and Engineering Pte Ltd (the "**Financial Adviser**"). The Financial Adviser assumes no responsibility for the contents of this announcement.*