

LIBRA

GROUP LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number 201022364R)

ANNOUNCEMENT OF LITIGATION

The Board of Directors (the “**Board**”) of Libra Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 2 May 2019, acknowledged that it had been served with a writ of summons and a statement of claim filed by Nan Ren Zhe (the “**Plaintiff**”) dated on 23 April 2019 in the state courts of Singapore (the “**Suit**”).

The Plaintiff alleges that the Company and the Plaintiff entered into an agreement for the sale and purchase of shares in YooSeong Engineering Pte Ltd (“**YooSeong**”) (the “**Alleged Agreement**”) and is seeking damages in connection with alleged breaches of the Alleged Agreement. The Plaintiff have not quantified the damages sought.

The Company had entered into negotiations with the Plaintiff, a director and shareholder of YooSeong, in or around September 2018 for the proposed purchase of shares in YooSeong (“**Proposed Acquisition**”). The Alleged Agreement is a draft as it was subject to the approval of the Board and there were material terms in the draft of the Alleged Agreement that had not been finalised. Till-date, the Alleged Agreement is neither finalised nor approved by the Board.

While in negotiations, the Plaintiff had requested for monies to be advanced to YooSeong as YooSeong urgently needed capital to continue its business including the work required under various contracts. Pursuant to an assistance plan, the Company would procure its subsidiaries to advance monies to YooSeong and/or otherwise assist in its business. Thus, as at the date of this announcement, advances of S\$1.2 million have been made to YooSeong over the period of eight (8) months. Consequently, the three (3) subsisting sub-contract MRT projects of approximately S\$18.2 million have been awarded to the Company’s subsidiary, Cyber Builders Pte Ltd (“**Cyber Builders**”).

In or around end September 2018, the Board rejected the Proposed Acquisition.

As mentioned earlier, the Alleged Agreement was never finalised and remained a draft that was subject to the approval of the Company’s Board. The Company therefore denies the allegations that an Alleged Agreement had been entered into by the Company. The Company had subsequently filed its defence on 15 May 2019.

The Company had informed the Board and the Company’s sponsor on 16 May 2019, upon receiving detailed information from NRZ’s lawyer on 13 May 2019. Following the various discussions between the Company, the Board and the Company’s litigation lawyer, and the follow up queries from the sponsor, the Board is of the view that the Suit does not constitute significant litigation requiring disclosure under Rule 703 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”) and is not expected to have a material impact on the Company’s earnings per share and net tangible assets per share for the current financial year ending 31 December 2019. Nevertheless, the Board had taken the view that a voluntary announcement be released.

The Company will make the relevant update announcements in compliance with the Catalist Rules and to update shareholders of the Company as and when there are developments on this matter.

By Order of the Board
LIBRA GROUP LIMITED

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Chu Sau Ben
Executive Chairman and Chief Executive Officer

29 May 2019

*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 Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**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.

The contact person for the Sponsor is Mr Lay Shi Wei, Registered Professional, at 9 Raffles Place#29-01 Republic Plaza Tower 1 Singapore 048619, telephone (+65) 6381 6757