



LS 2 Holdings Limited
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Singapore 658064
(Incorporated in the Republic of Singapore on 18 June 2020)
(Company Registration Number: 202016972G)

FOR IMMEDIATE RELEASE

Integrated environmental services provider LS 2 Holdings debuts on Catalist board at S\$0.295, 47.5% above IPO price

- *Its debut follows its Initial Public Offering of 27.75 million Placement Shares at S\$0.20 each which were fully placed*
- *The Placement raised gross proceeds of approximately S\$5.6 million which will be largely used for business expansion*

SINGAPORE, 24 February 2022 – **LS 2 Holdings Limited (亮星控股有限公司)** (“**LS 2 Holdings**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), an established home-grown integrated environmental services provider in Singapore, specialising in providing a full suite of cleaning services, made its trading debut on the Catalist board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) today at S\$0.295 and closed at S\$0.88.

The trading debut follows LS 2 Holdings’ initial public offering (“**IPO**” or the “**Placement**”) of 27.75 million placement shares (“**Placement Shares**”) priced at S\$0.20 each, which represents 15.0% of LS 2 Holding’s post-placement share capital of 185.0 million shares. Raising a total of S\$5.6 million in gross proceeds, the Placement has attracted strong interest from investors.

RHT Capital Pte. Ltd. is the Issue Manager and Full Sponsor for the IPO, while **Soochow CSSD Capital Markets (Asia) Pte. Ltd.** is the Placement Agent.

LS 2 Holdings’ Chief Executive Officer and Executive Director, Mr. Alvin Ong (王康荣), said, “*We are very encouraged by the positive response from the market and also grateful to the investors who subscribed for our Placement Shares under the IPO. We believe that their support underscores their confidence in the strength of our Group’s business model, our strong track record and established reputation in the market, as well as our plans to expand in the industry. Today’s trading debut marks a new chapter in LS 2 Holdings’ growth journey, which we hope will enhance our corporate image and profile in the industry, open up more business opportunities and projects and also allow us to tap the capital markets in the future to extend our growth runway.*”

With over 20 years of established track record, LS 2 Holdings provides a full suite of cleaning services including conservancy services, facilities cleaning, housekeeping, school cleaning, road and beach cleaning, pandemic disinfection, façade cleaning and food and beverage cleaning, as well as pest control and waste management services. It has a diverse and growing customer base, which includes government organisations and multinationals across several industries. Its services are supported by a strong workforce of about 2,000 well-trained and operationally ready workers, led by a qualified and competent management team which includes Executive Chairman, Roger Tan and Chief Executive Officer, Alvin Ong, who have over 20 years and 18 years of relevant experience respectively.

“Environmental services are enjoying healthy demand in Singapore, which is set to increase in the future, being driven by economic sophistication, urbanisation, and population growth¹. The industry is also moving towards the adoption of more outcome-based contracts and digitalisation, and we have invested resources to ride on these trends. We will use part of our net proceeds of S\$4.4 million to expand our business in various ways such as strengthening our market position, expanding the scope of our service offerings, engaging in strategic acquisitions or joint ventures, as well as investing in equipment and technology.

“We also welcome the new measures to support lower wage workers under the Progressive Wage Credit Scheme as announced in the Singapore Budget². As the Progressive Wage Model (“PWM”) will now be extended to cleaners, landscape workers and workers in the waste management industry, the government’s support in co-funding the wage increases will help to absorb the cost impact of the PWM. Together with the enhancements to the Workfare Income Supplement Scheme, we hope that these support measures from the Singapore government will not only help to better the livelihoods of many of our workers but also create longer-term sustainability for the profession and the industry. We are here for the long term and seek to create value for our shareholders who share this vision and have placed their trust in us,” said Mr Ong.

The Singapore government announced in its 2022 Singapore Budget² that over the next two years, the PWM will be extended to sectors including the waste management sector, and cleaners and landscape

¹ Infocomm Media Development Authority, “Environmental Services Industry Digital Plan”, dated 22 April 2021

² Singapore Budget 2022, <https://www.mof.gov.sg/singaporebudget>

workers will be included in the scheme. To provide businesses with transitional support to cope with the PWM, a Progressive Wage Credit Scheme (“**PWCS**”) will be introduced in which the government will co-fund the wage increases of lower-wage workers between 2022 and 2026. For workers earning up to S\$2,500, the PWCS co-funding rate will be 50% in the first two years, 30% in the next two years, before tapering to 15% in 2026. In addition, a Progressive Wage Mark accreditation scheme will be introduced to accredit firms that pay progressive wages and all eligible suppliers contracting with the government will require this accreditation from March 2023.

Shareholders and potential investors of the Company are advised to read this announcement as well as the Offer Document dated 15 February 2022 carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action with respect to their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

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About LS 2 Holdings Limited

LS 2 Holdings Limited is a one-stop integrated environmental services provider, offering a comprehensive suite of cleaning services to a diverse and growing base of customers from the private and public sectors. With an established track record spanning more than 20 years, the Group believes in making strategic investments in new equipment, technology and people to boost its competitive edge and market position. It is an early adopter of new and innovative solutions, and provides regular training for its workforce of around 2,000, in order to enhance its service offerings to meet customers’ needs and drive service excellence.

Attesting to the quality of its service standards and skilled workforce, the Group has been awarded various accreditations, including FM02 L6 BCA, Clean Mark Gold, ISO 9001:2015, ISO 45001:2018, BizSAFE STAR, and SkillsFuture Employer Awards, among others.

Issued for and on behalf of LS 2 Holdings Limited

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The information in this Press Release is qualified in its entirety by, and is subject to, the more detailed information set out in the offer document (“**Offer Document**”) issued by the Company that has been registered by the SGX-ST acting as agent on behalf of the Authority on 15 February 2022. This Press Release does not purport to be complete and should be read in conjunction with the full text of the Offer Document, including but not limited to the sections entitled “**Risk Factors**” and “**Cautionary Note Regarding Forward-Looking Statements**” of the Offer Document. Words and expressions, unless otherwise defined in this Press Release, shall bear the same meanings assigned to them in the Offer Document.

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This Press Release has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, RHT Capital Pte. Ltd. (“**Sponsor**”) for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this press release.

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