

LEY CHOON GROUP HOLDINGS LIMITED

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

UPDATE ON THE GROUP'S OPERATIONS AND MEASURES TAKEN IN RESPONSE TO THE COVID-19 PANDEMIC

The Board of Directors of Ley Choon Group Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the global outbreak of the COVID-19 pandemic and also to the press release by the Ministry of Health of Singapore on 3 April 2020 and the press release by the Multi-Ministry Taskforce on 21 April 2020 which set out enhanced safe distancing measures including the closure of workplace premises and, the suspension of activities at workplace premises from 7 April 2020 to 1 June 2020 (“**Effective Period**”) (the “**Safe Distancing Measures**”), save for essential services and their related supply chains which are exempted from the suspension.

Update on the Group's operations

The Board wishes to update shareholders that in compliance with the Safe Distancing Measures and with effect from 7 April 2020, all staff who are able to do so have been working from home and will continue to do so throughout the Effective Period, save for staff involved in the provision of essential services.

In respect of the essential services provided by the Group, the Group has been able to continue operations in respect of limited urgent repair works that support the supply of essential services to the public, or that are essential to maintain public safety, as assessed by the relevant Singapore Government agencies. The Group has also implemented the necessary Safe Distancing Measures and other measures to ensure the health and well-being of its workforce. Save for any workplace premises in respect of the abovementioned essential services, the Group has closed all of its workplace premises in Singapore.

On 20 April 2020, Singapore Government representatives visited the Group's headquarters. They interviewed several workers at the Group's on-site dormitory at 3 Sungei Kadut Drive and subsequently it was understood that they were satisfied with the environment and workers' positive feedback. Singapore Government agency representatives also visited the Group's headquarters on the same day and informed the Group that they were satisfied with the Group's COVID-19 prevention efforts and support of essential services during the Effective Period, and were pleased that the Group has managed to increase stockpiles of pipes and fittings.

As of the date of this announcement, none of the workers living in the Group's on-site dormitory have tested positive for COVID-19.

The Group is assessing the potential impact of the Safe Distancing Measures, government support and temporary relief measures on its business, as well as assessing and reviewing the COVID-19 (Temporary Measures) Act which was passed on 7 April 2020 and is intended to offer temporary relief and support to local businesses and individuals affected by the COVID-19 pandemic.

At this stage, the Group is unable to quantify nor determine the true extent of the financial impact of the Safe Distancing Measures on the earnings per share and net asset value per share of the Group for

the financial year ending 31 March 2021. Where applicable, the Group will tap into the appropriate financial support packages extended by the Singapore Government to the Group. The Board will continue to monitor the evolving situation and provide updates on any material developments as soon as practicable.

Measures taken by the Group in response to the COVID-19 pandemic

The Management has stepped up various efforts in responding to the COVID-19 situation and the implementations of various measures have been positively supported by employees. A summary of the key actions taken by the Group are set out below for shareholders' information.

Quick response to government advisories

The Group has been actively following, studying, and circulating the Singapore Government's advisories and taking corresponding preventive measures.

Securing sufficient stockpiles of pipes and fittings

In view of the impact of the COVID-19 pandemic on global supply chains, the Group has taken all available opportunities to increase stockpiles capable of lasting several months. After lockdown measures were implemented in the People's Republic of China (the "**PRC**"), the Group obtained majority of its supplies from India and Malaysia. Subsequently upon lockdown measures being implemented in India and Malaysia and with the lifting of certain lockdown measures in the PRC, the Group now obtains majority of its supplies from the PRC.

Early implementation of business continuity plan ("BCP**")**

The Group's BCP was fully implemented in March 2020 with the splitting of staff into two separate teams. In compliance with the Safe Distancing Measures and with effect from 7 April 2020, all staff who are able to do so have been working from home and will continue to do so throughout the Effective Period, save for staff involved in the provision of essential services as assessed by the relevant Singapore Government agencies.

Protecting workers' health and welfare

Following the release of various advisories by the Ministry of Manpower ("**MOM**") in respect of workers residing in dormitories and employees in the construction sector and various advisories issued by other relevant authorities, the Group has implemented comprehensive programs on top of existing practices, such as temperature monitoring, distance observation and use of masks, to support workers' well-being, reduce congregation and prevent workers from being in contact with any potential clusters. The Group will continue to implement necessary measures in compliance with any further advisories issued by the relevant authorities.

Key programmes include:

- the use of location services apps with the costs covered by the Group to help supervisors to track the location of team workers;
- catering and laundry sponsored by the Group, for the welfare for the Group's workers; and

- thorough monitoring of the health of workers and creation of dedicated isolation facility for any worker who becomes unwell.

On 25 April 2020, MOM officers inspected the Group's on-site dormitory at 3 Sungei Kadut Drive and informed the Group that they were satisfied with the measures taken by the Group and the living conditions, subject to minor comments which the Group will ensure are addressed.

The Group remains fully committed to working with the relevant authorities to ensure and prioritise the health, safety and well-being of its employees, clients and other stakeholders. In view of the fluidity of the existing situation, the Group is continuing to assess the potential impact on its projects and business, and will provide further updates if there are any material developments which have arisen.

Shareholders and investors are advised to exercise caution when dealing in the securities of the Company. Persons who are in doubts as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

Toh Choo Huat
Executive Chairman and Chief Executive Officer

27 April 2020

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 Singapore Exchange Securities Trading Limited ("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 details of the contact person for the Sponsor is:

*Name: Mr. Nathaniel C.V. (Registered Professional, RHT Capital Pte. Ltd.)
Address: 9 Raffles Place #29-01, Republic Plaza Tower 1 Singapore 048619
Tel: 6381 6966*