

# LEY CHOON GROUP HOLDINGS LIMITED

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

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## PROPOSED PLACEMENT OF UP TO 98,734,000 NEW ORDINARY SHARES IN THE CAPITAL OF LEY CHOON GROUP HOLDINGS LIMITED (THE “PLACEMENT”)

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*Unless otherwise defined, all terms used herein shall bear the same meaning as in the Company's announcement dated 31 July 2013 (the “**Previous Announcement**”).*

The Board is pleased to announce that the SGX-ST has today granted its approval-in-principle (“**AIP**”) for the listing and quotation of 98,734,000 New Shares in the capital of the Company to be allotted and issued pursuant to the Placement. The listing and quotation of the New Shares is subject to, *inter alia*, the following conditions:

- (a) compliance with the SGX-ST's listing requirements;
- (b) submission of the following documents from the Company:
  - (i) a written undertaking that it will comply with Listing Rule 704(30) and Listing Rule 1207(20) of the SGX-ST Listing Manual in relation to the use of the proceeds from the Placement and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
  - (ii) a written confirmation that it will comply with Rule 803 of the SGX-ST Listing Manual; and
  - (iii) a written confirmation that it will not issue the New Shares to persons prohibited under Rule 812(1) of the SGX-ST Listing Manual; and
- (c) submission of a written confirmation from the introducer, Mr Eric Koh Tiong Kiat (the “**Introducer**”) that:
  - (i) the New Shares will not be placed out to persons prohibited under the Rule 812(1) of the SGX-ST Listing Manual; and
  - (ii) no part of the commission payable to the Introducer is shared, directly or indirectly, with the Subscribers.

In addition, the Board wishes to provide the following additional information in relation to the Placement:

(a) The Introducer

The Introducer is a remisier and has been in the stockbroking industry for 19 years. A fee of 3.5% of the gross proceeds from the Placement is payable to the Introducer.

(b) Mr Teo

Mr Teo has been a director and partner of Accion Capital Management Pte Ltd since May 2010. Mr Teo has over 16 years of experience in the healthcare, corporate finance and private equity investment sectors was formerly a director at 2 boutique investment firms, namely, Primeforth Capital and OneEquity SG, which focus on private equity investments in South East Asia and People's Republic of China (“**PRC**”) companies. Prior to that, Mr Teo spent about 4 years in

corporate finance, first as Assistant Vice President (“**AVP**”), Investment Banking in OCBC Bank, focusing on equity capital market, then as AVP, Corporate Finance in Hong Leong Finance Limited, as part of the pioneer team which worked on initial public offerings (“**IPO**”), secondary fund raisings and independent financial advisory assignments. Mr Teo was involved in a number of IPOs and financial advisory of Singapore companies. In the past 8 years, Mr Teo has built an extensive network of business contacts in the PRC’s market and accumulated significant experience in originating, evaluating and executing transactions involving PRC companies. Prior to joining the financial sector, he was a group accountant at Parkway Holdings Limited and had also served as the financial controller of its subsidiary, Medi-Rad Associates Ltd. Mr Teo started his career as an auditor in KPMG LLP and has a Bachelor of Accountancy Degree from Nanyang Technological University.

Mr Teo is not related to the controlling shareholders or directors of Hiap Hoe Investment and has no relationship or arrangements with Hiap Hoe Group relating to the Placement.

(c) Strategic Alliances between the Company and the Subscribers

As of the date of this announcement, there is no agreement and/or understanding, written or otherwise, between the Subscribers and the Company for strategic alliances and/or business relationships to take place.

As mentioned in the Previous Announcement, Hiap Hoe Group is primarily involved in the businesses of property investment, property development business, civil engineering and construction and investment holdings while the Group’s core businesses comprise (i) Pipes and Roads Segment: underground utilities infrastructure construction and maintenance, sewer pipeline rehabilitation, road and airfield construction and maintenance; and (ii) Construction Materials Segment: asphalt premix production and construction waste recycling. Accordingly, there may be opportunities for the Company and Hiap Hoe Group to form strategic alliances and/or business relationships in the future.

The Subscribers will not be appointing any directors to the Board after the completion of the Placement.

The AIP granted by the SGX-ST for the listing and quotation of the New Shares is not to be taken as an indication of the merits of the Placement, the New Shares, the Company and/or its subsidiaries.

Further announcement will be made by the Company in relation to the Placement as and when appropriate.

**BY ORDER OF THE BOARD**

Toh Choo Huat  
Executive Chairman and Chief Executive Officer  
13 August 2013

*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.*