

LEY CHOON GROUP HOLDINGS LIMITED

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

USE OF PLACEMENT PROCEEDS

Unless otherwise defined, capitalised terms used herein shall bear the same meaning ascribed to them in the Offer Information Statement dated 26 July 2012 (the "OIS").

The Board of Directors of the Company refers to the OIS issued in connection with the Placement in which gross proceeds of approximately S\$12.677 million were raised from the New Shares Placement:

Proceeds	SGD'000
Amount raised	12,677
Less: expenses	<u>(407)</u>
Net Proceeds	<u>12,270</u>

The Board of Directors wishes to announce that the Company has utilised the following amounts to date:

1. Professional fees with respect to the Reverse Take Over exercise	S\$ 1.8 Million
2. General working capital	S\$ 2.4 Million
Total	S\$ 4.2 Million

The Board of Directors of the Company will continue to make periodic announcement on the utilisation of the balance of the proceeds from the New Shares Placement as and when such proceeds are materially deployed.

BY ORDER OF THE BOARD

Toh Choo Huat
Executive Chairman and Chief Executive Officer
12 September 2012

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.