

CIRCULAR DATED 28 JULY 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of Ley Choon Group Holdings Limited (the "**Company**"), you should immediately forward this Circular, the notice of Extraordinary General Meeting and the attached proxy form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

The SGX-ST assumes no responsibility for the correctness for any of the statements made, reports contained or opinions expressed in this Circular.



LEY CHOON GROUP HOLDINGS LIMITED

(Incorporated in Republic of Singapore)
(Company Registration Number: 198700318G)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

- (1) THE PROPOSED DISPOSAL OF 4 SUNGEI KADUT STREET 2, SINGAPORE 729226; AND**
- (2) THE PROPOSED DISPOSAL OF 55 KRANJI CRESCENT, SINGAPORE 728662 TOGETHER WITH THE PLANT AND EQUIPMENT.**

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	10 August 2016 at 10.00 a.m.
Date and time of Extraordinary General Meeting	:	12 August 2016 at 10.00 a.m.
Place of Extraordinary General Meeting	:	No. 3, Sungei Kadut Drive, Singapore 729556

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DEFINITIONS

In this Circular, the following definitions apply throughout unless the context otherwise requires or otherwise stated:

<i>“ACRA”</i>	:	Accounting and Corporate Regulatory Authority of Singapore
<i>“Board” or “Board of Directors”</i>	:	The board of directors of the Company for the time being
<i>“Building”</i>	:	The building(s)/structure(s) erected at the KC Property and known as 55 Kranji Crescent, Singapore 728662
<i>“Building Agreement”</i>	:	The building agreement dated 2 October 2006 entered into between JTC and LCCE in respect of the KC Property, and shall include any variation(s) or supplemental(s) thereto.
<i>“Business Day”</i>	:	A day (other than a Saturday or Sunday or any gazetted public holiday in Singapore) on which commercial banks are open for business in Singapore
<i>“CDP”</i>	:	The Central Depository (Pte) Limited
<i>“Circular”</i>	:	This circular to Shareholders dated 28 July 2016
<i>“Companies Act”</i>	:	The Companies Act, Chapter 50, of Singapore, as amended or modified from time to time
<i>“Company”</i>	:	Ley Choon Group Holdings Limited
<i>“Constitution”</i>	:	The Constitution of the Company, as amended from time to time
<i>“CPF”</i>	:	The Central Provident Fund
<i>“Director”</i>	:	A director of the Company for the time being
<i>“Double-Trans”</i>	:	Double-Trans Pte. Ltd. and/or its nominees
<i>“EGM”</i>	:	The extraordinary general meeting of the Company
<i>“EPS”</i>	:	Earnings per share
<i>“Group”</i>	:	The Company and its subsidiaries, collectively, for the time being
<i>“IRAS”</i>	:	The Inland Revenue Authority of Singapore
<i>“JTC”</i>	:	JTC Corporation, a body corporate incorporated under the Jurong Town Corporation Act, (Cap. 150)

DEFINITIONS

<i>“KC Property”</i>	:	The property comprised in Lot 3465C of Mukim 11 (also known as Private Lot A1276500) together with the Building and known as 55 Kranji Crescent, Singapore 728662
<i>“Latest Practicable Date”</i>	:	6 July 2016, being the latest practicable date prior to the printing of this Circular
<i>“LCCE”</i>	:	Ley Choon Constructions and Engineering Pte Ltd
<i>“Listing Manual”</i>	:	The Listing Manual (Section B: Rules of Catalyst) of the SGX-ST or the Listing Manual of the SGX-ST (as the case may be), as may be amended, supplemented or modified from time to time
<i>“Main Board Rules”</i>	:	The rules of the Listing Manual applicable to issuers listed on the SGX Main Board, as may be amended, supplemented or modified from time to time
<i>“NAV”</i>	:	Net asset value
<i>“Notice of EGM”</i>	:	The notice of the EGM which is set out on page 23 of this Circular
<i>“NTA”</i>	:	Net tangible assets
<i>“Plant and Equipment”</i>	:	The asphalt premix manufacturing plant together with all plant and equipment in connection therewith situated at the KC Property and set out in the Schedule 1 of the SPA
<i>“Proposed Disposals”</i>	:	The Proposed KC Disposal and the Proposed SK Disposal
<i>“Proposed KC Disposal”</i>	:	The proposed disposal of the KC Property together with the Plant and Equipment
<i>“Proposed SK Disposal”</i>	:	The proposed disposal of the SK Property
<i>“Register of Members”</i>	:	Register of members of the Company
<i>“Samwoh”</i>	:	Samwoh Premix Pte. Ltd.
<i>“SGX-ST”</i>	:	Singapore Exchange Securities Trading Limited
<i>“SGX Main Board”</i>	:	The Main Board of the SGX-ST
<i>“Shareholders”</i>	:	Persons (other than CDP) who are for the time being registered as holders of the Shares in the Register of Members of the Company and Depositors who have Shares entered against their names in the Depository Register

DEFINITIONS

“Shares”	:	Ordinary shares in the capital of the Company
“SPA”	:	The sale and purchase agreement dated 19 May 2016 entered into by the Company and Samwoh in connection with the Proposed KC Disposal
“SK Property”	:	The property known as 4 Sungei Kadut Street 2, Singapore 729226
“S\$” and “cents”	:	Singapore dollar and cents respectively
“Teacly”	:	Teacly (S) Pte Ltd
“%” or “per cent.”	:	Per centum or percentage

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore. The term “**treasury shares**” shall have the meaning ascribed to it in Section 4 of the Companies Act. The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference to a time of day and date in this Circular shall be a reference to Singapore time, unless otherwise stated.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the Listing Manual or modification as the case may be, unless otherwise provided.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

LETTER TO SHAREHOLDERS



LEY CHOON GROUP HOLDINGS LIMITED

(Incorporated in Republic of Singapore)
(Company Registration Number: 198700318G)

Directors:

Mr Toh Choo Huat (Executive Chairman and Chief Executive Officer)
Mr Koh Tiam Teng Francis (Executive Director)
Dr Low Boon Hwee (Executive Director and Group Technical Director)
Mr Ling Chung Yee Roy (Lead Independent Director)
Mr Chia Soon Hin William (Independent Director)
Mr Teo Ho Beng (Non-Executive Director)

Registered Office:

3 Sungei Kadut Drive
Singapore 729556

28 July 2016

To: The Shareholders of Ley Choon Group Holdings Limited

Dear Sir/Madam

- (1) **THE PROPOSED DISPOSAL OF 4 SUNGEI KADUT STREET 2, SINGAPORE 729226; AND**
- (2) **THE PROPOSED DISPOSAL OF 55 KRANJI CRESCENT, SINGAPORE 728662 TOGETHER WITH THE PLANT AND EQUIPMENT.**

1. INTRODUCTION

1.1 BACKGROUND

The Group has been undergoing a debt restructuring programme with the lenders (“**Debt Restructuring Plan**”) which encompasses disposal of non-core assets and non-core business. On 8 June 2016, the Group and its lenders agreed on and signed a term sheet setting out the key terms of restructuring the debt obligations of the Group (“**Term Sheet**”), which will subsequently be encapsulated in a debt restructuring agreement. Details of the Term Sheet have been disclosed in the Company’s announcement dated 8 June 2016. In line with this, the Group has been actively looking for potential buyers. The Company reviewed the offers received and decided to proceed with the offers from the respective purchasers.

1.2 EXTRAORDINARY GENERAL MEETING

- 1.2.1 The Directors are convening an EGM of the Company to be held on 12 August 2016 to seek the Shareholders’ approval for the Proposed Disposals.

LETTER TO SHAREHOLDERS

1.2.2 The purpose of this Circular is to provide Shareholders with information relating to the Proposed Disposals, and to seek Shareholders' approval in respect of the same at the EGM to be held on 12 August 2016 at 10.00 a.m., the notice of which is set out on page 23 of this Circular.

1.2.3 The SGX-ST takes no responsibility for the accuracy of any statements or opinions made in this Circular.

2. THE PROPOSED DISPOSAL OF 4 SUNGEI KADUT STREET 2, SINGAPORE 729226

Shareholders' approval is being sought at the EGM for the Proposed SK Disposal by an ordinary resolution.

2.1 BACKGROUND

2.1.1 Pursuant to a conditional option to purchase entered into between Teacly, a wholly-owned subsidiary of the Company, and Double-Trans for the proposed disposal of the whole of 4 Sungei Kadut Street 2, Singapore 729226 (the "**Option**"), Double-Trans had on 31 May 2016 exercised the Option. The option to purchase is subject to applicable laws and regulations governing the sale of the property and conditional upon clearances from various authorities as set out in Section 2.5.2 of this Circular. In addition, Double-Trans is one of the Group's existing customers for the supply of asphalt premix.

2.1.2 As the relative figure computed on the basis set out in Rule 1006 of the Listing Manual exceeds 20%, the Proposed SK Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual and is conditional upon the approval of Shareholders. For further details on the relative figures in respect of the Proposed SK Disposal computed on the bases set out in Rule 1006 of the Listing Manual, please refer to Section 2.8 of this Circular.

2.2 INFORMATION ON DOUBLE-TRANS

2.2.1 Double-Trans is a private limited company incorporated in and under the laws of the Republic of Singapore with its registered office at 28 Sin Ming Lane, #07-133, Singapore 573972. The shareholders of Double-Trans are Tan Chai Ling (Chen Zhilong) and Alynda Tan Hue Hong, who are also the directors of Double-Trans. Double-Trans is in the business of mixed construction activities. Double-Trans approached the Company in relation to the Proposed SK Disposal pursuant the Company's advertisements in the newspapers for the Proposed SK Disposal.

2.2.2 None of the directors or shareholders of Double-Trans have any interest, direct or indirect, in the Company, its substantial shareholders or Directors and their respective associates.

LETTER TO SHAREHOLDERS

2.3 INFORMATION ON THE SK PROPERTY

The SK Property is a leasehold property from JTC with a leasehold tenure of 15 years that commenced from 1 September 2010. The SK Property covers a land area of approximately 4,239.60 square metres. The SK Property was previously used as the Company's office premises and workshop for engineering/fabrication works and dormitories for its workers. The Company is currently not occupying the SK Property. In particular, one of the Group's on-going major contracts is a sewer rehabilitation project in Sri Lanka (which is a contract worth approximately S\$40 million) and many of the construction equipment and machines were deployed to Sri Lanka. Further, its workers were also relocated to the dormitories in its registered office, No. 3, Sungei Kadut Drive, Singapore 729556. Accordingly, the SK Property is deemed as a non-core asset of the Group.

2.4 VALUE OF THE SK PROPERTY AND GAIN FROM THE PROPOSED SK DISPOSAL

2.4.1 Based on a valuation conducted by Colliers International Consultancy & Valuation (Singapore) Pte Ltd, the open market value of the SK Property was S\$6,800,000 as at 11 April 2015. The valuation was on the basis of market value which was intended to mean the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The SK Property was acquired by the Group in 2010 and no write-offs or provisions were made on the SK Property.

2.4.2 Assuming that the Proposed SK Disposal was completed on 31 March 2016 and taking into account any associated costs of the Proposed SK Disposal (i.e. approximately S\$63,000), the gain from the Proposed SK Disposal will be approximately S\$3,528,000.

2.5 PRINCIPAL TERMS OF THE OPTION

2.5.1 Purchase Price

The aggregate purchase price for the Proposed SK Disposal is S\$6,800,000 (exclusive of GST) (the "**Purchase Price**"). The Purchase Price was arrived at on a willing seller willing buyer basis after taking into account various commercial factors including the current market prices of properties in the surrounding area, the location of the SK Property and the terms and conditions of the Proposed SK Disposal as set out in the Option.

Double-Trans had on date of signing of the Option paid to Teacly a sum of S\$107,000 (inclusive of GST) (the "**1st Option Fee**"). Thereafter, the validity period of the Option had been extended by Double-Trans for a total of eight rounds by the payment of an additional option extension fee of S\$107,000 (inclusive of GST) for each additional round of extension (the "**Option Extension Fees**"). Double-Trans had on 31 May 2016 exercised the Option and the aggregate option fees paid by Double-Trans to Teacly pursuant to the Option is S\$963,000 (inclusive of GST).

Pursuant to the terms and conditions of the Proposed SK Disposal as set out in the Option, if the Option is properly exercised, the 1st Option Fee and the Option Extension Fees shall be credited to the Purchase Price. On completion as set out in Section 2.5.3(a) of this Circular, Double-Trans shall pay to Teacly the balance of the Purchase Price (plus GST thereon), amounting to an aggregate of S\$5,900,000 (exclusive of GST).

LETTER TO SHAREHOLDERS

2.5.2 Conditions Precedent

- (a) The sale and purchase is subject to the following Special Conditions (as defined below) and where applicable to the conditions stated under (i) below in so far as they are applicable to a sale by private treaty and are not varied by or inconsistent with the said Special Conditions and subject to the rules under (ii) and (iii) below where applicable:
- (i) The Singapore Law Society's Conditions of Sale 2012;
 - (ii) Conveyancing & Law of Property (Conveyancing) Rules 2011 as promulgated under the Conveyancing & Law of Property Act; and
 - (iii) Singapore Academy of Law (Conveyancing Money) Rules 2011 as promulgated under the Singapore Academy of Law (Cap 294A).
- (b) The sale and purchase of the SK Property is with vacant possession and subject to the following special conditions ("**Special Conditions**"):
- (i) the following preliminary clearances where applicable:
 - (aa) National Environmental Agency (NEA)/Pollution Control Department (PCD)
 - (bb) Central Building Plan Unit (CBPU)
 - (cc) Public Utilities Board (PUB)(hereinafter collectively called the "**Preliminary Clearances**"); and
 - (ii) written approval from JTC:
 - (aa) to the sale and purchase of the SK Property and the assignment/transfer of the unexpired leasehold term of the SK Property to Double-Trans; and
 - (bb) to the use of the SK Property by Double-Trans for repair, servicing and storage of equipment used for road construction works and ancillary office and/or ancillary dormitory;(hereinafter called the "**Written Consent**").

2.5.3 Other Salient Terms of the Option

Some of the salient terms of the Option are as follows:

- (a) The Sale shall be completed on the later of the following dates ("**SK Completion**"):
- (i) within sixteen (16) weeks from the date of the exercise of the Option by Double-Trans (the "**Exercise Date**"); or
 - (ii) within two (2) weeks of the date of Written Consent.

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- (b) If the relevant Preliminary Clearances are not received eight (8) weeks from the Exercise Date and/or the Written Consent is not received within twelve (12) weeks from the Exercise Date (or within such further extended period of time as may be agreed between the parties) then, subject to the terms provided in the Option, the Option shall at either party's discretion be annulled and shall be regarded as null and void.
- (c) In relation to paragraph (b) above, all deposits, Option Fees, Option Extension Fees (including GST paid on the deposits, Option Fees and Option Extension Fees) and all other monies paid by Double-Trans to Teacly shall be forfeited to Teacly and shall not be refundable to Double-Trans, without any interest being payable by either party to the other.
- (d) The title of the SK Property shall be properly deduced and free from encumbrances on SK Completion.

2.6 RATIONALE FOR THE PROPOSED SK DISPOSAL

In line with the Debt Restructuring Plan, the Group has undertaken this Proposed SK Disposal exercise. The SK Property has been mortgaged with a bank for the grant of banking facilities. In accordance with the Debt Restructuring Plan, the net proceeds of the Proposed SK Disposal will be adjusted against the overall outstanding loan amount immediately upon receipt. Accordingly, the Board, after careful consideration, is of the view that the Sale Price is fair and reasonable and that the Proposed SK Disposal is in the best interests of the Company and its Shareholders.

2.7 USE OF PROCEEDS

The Company expects to receive net proceeds of approximately S\$6,737,000 (the "**SK Net Proceeds**") after deducting professionals and related expenses incurred in connection with the Proposed SK Disposal. Upon immediate receipt of the SK Net Proceeds, the Company intends to use the entire SK Net Proceeds for repayment of bank borrowings in accordance with the Debt Restructuring Plan. Details of the Term Sheet on the Debt Restructuring Plan have been disclosed in the Company's announcement dated 8 June 2016. The Company will make further announcement(s) to update the Shareholders when the debt restructuring agreement is finalised and signed.

LETTER TO SHAREHOLDERS

2.8 RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE LISTING MANUAL

The relative figures computed on the relevant bases set out in Rule 1006 of the Listing Manual in respect of the Proposed SK Disposal and based on the unaudited financial statements of the Group for FY2016 are as follows:

Rule 1006	Base	Relative figure computed in accordance with the bases set out in Rule 1006
(a)	The net asset ⁽¹⁾ value of the assets to be disposed of, compared with the Group's net asset value	53.26% ⁽²⁾
(b)	The net profits ⁽³⁾ attributable to the assets disposed of, compared with the Group's net profits	Not applicable to the Proposed SK Disposal as the subject matter is property and the SK Property is not rented out. Further, the Group made a net loss for FY2016.
(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation ⁽⁴⁾ based on the total number of issued shares excluding treasury shares	40.99%
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable to a disposal.

Notes:

- (1) "Net asset" means total assets less total liabilities, including non-controlling interests.
- (2) Based on the unaudited financial statements of the Group for FY2016, the net asset value attributable to the SK Property was S\$3,208,907 and the net asset value of the Group was approximately S\$6,025,399.
- (3) "Net profits" means profit or loss before income tax, non-controlling interests and extraordinary items.
- (4) "Market capitalisation" of S\$16,587,396 is calculated by the total number of shares of the Company (excluding treasury shares), amounting to 592,406,996 shares, multiplied by the closing market price of S\$0.028 per Share for trades done on the SGX-ST on 31 May 2016, being the day on which the Option was exercised.

As the relative figures in Rules 1006(a) and 1006(c) computed on the basis set out in Rule 1006 of the Listing Manual above exceed 20%, the Proposed SK Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual and is conditional upon the approval of Shareholders at the EGM.

2.9 INTERESTS IN THE PROPOSED SK DISPOSAL

None of the directors of the Group and, to the best of the Directors' knowledge, none of the other substantial shareholders of the Group has any interest, direct or indirect, in the Proposed SK Disposal, other than through their respective shareholdings in the Group as disclosed in Section 5 of this Circular.

LETTER TO SHAREHOLDERS

2.10 DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Proposed SK Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed SK Disposal.

3. THE PROPOSED DISPOSAL OF 55 KRANJI CRESCENT SINGAPORE 728662 TOGETHER WITH THE PLANT AND EQUIPMENT

Shareholders' approval is being sought at the EGM for the Proposed KC Disposal by an ordinary resolution.

3.1 BACKGROUND

3.1.1 On 19 May 2016, the Company's wholly owned subsidiary, LCCE, entered into the SPA with Samwoh pursuant to which LCCE agreed to sell and Samwoh agreed to purchase the KC Property together with the Plant and Equipment.

3.1.2 As the relative figure computed on the basis set out in Rule 1006 of the Listing Manual exceeds 20%, the Proposed KC Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual and is conditional upon the approval of Shareholders. For further details on the relative figures in respect of the Proposed KC Disposal computed on the bases set out in Rule 1006 of the Listing Manual, please refer to Section 3.8 of this Circular.

3.2 INFORMATION ON SAMWOH

3.2.1 Samwoh is a private limited company incorporated in and under the laws of the Republic of Singapore. The shareholder of Samwoh is Samwoh Corporation Pte Ltd and it is part of the Samwoh group of companies. Samwoh is in the business of asphalt premix manufacturing. Samwoh was introduced to the Company through mutual business associates.

3.2.2 None of the directors or shareholders of Samwoh have any interest, direct or indirect, in the Company, its substantial shareholders or Directors and their respective associates.

3.3 INFORMATION ON THE KC PROPERTY AND THE PLANT AND EQUIPMENT

The KC Property has a land area of 8,772.5 square meters. The Plant and Equipment, which include but are not limited to, an asphalt premix manufacturing plant, are situated at the KC Property. The asphalt premix manufacturing plant, which commenced production in 2003, was the first plant of the Group. The production of asphalt premix has been moved to the Company's existing facility (with recycling capacity) at No. 3, Sungei Kadut Drive, Singapore 729556 and hence the KC Property and the Plant and Equipment situated at the KC Property are currently not utilised by the Company. Accordingly, the KC Property and the Plant and Equipment are deemed as non-core assets of the Group. The sale of the KC Property and the Plant and Equipment will have no impact on the Company's current operations at No. 3, Sungei Kadut Drive, Singapore 729556, in relation to the production of asphalt premix.

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3.4 VALUE OF THE KC PROPERTY, VALUE OF THE PLANT AND EQUIPMENT AND GAIN FROM THE PROPOSED KC DISPOSAL

3.4.1 Based on a valuation conducted by Robert Khan & Co Pte Ltd, the open market value of the KC Property was S\$10,000,000 as at 28 April 2015. The valuation took into consideration the relevant factors and the prevailing market conditions as at 28 April 2015 and was on the basis of market value which was intended to mean the estimated amount for which the property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The KC Property was acquired by the Group in 2005 and no write-offs or provisions were made on the KC Property. Based on the unaudited financial statements of the Group for FY2016, the book value of the Plant and Equipment was approximately S\$4,445,000 as at 31 March 2016.

3.4.2 Assuming that the Proposed KC Disposal was completed on 31 March 2016 and taking into account any associated costs of the Proposed KC Disposal (i.e. approximately S\$73,000), the gain from the Proposed KC Disposal will be approximately S\$7,782,000.

3.5 PRINCIPAL TERMS OF THE SPA

3.5.1 Consideration

The aggregate consideration for the Proposed KC Disposal is an amount in cash equal to the sum of S\$12,300,000.00 (the "**Consideration**"). The Consideration was arrived at on a willing seller willing buyer basis, taking into account the factors set out in Sections 1.1 and 3.6 of this Circular.

Samwoh shall pay the Consideration in instalments as follows:

- (a) on or before the date of the SPA, a sum of S\$123,000.00 being 1% of the Consideration to be paid to LCCE's Solicitors, Rajah & Tann Singapore LLP ("**LCCE's Solicitors**"). The said sum of S\$123,000.00 shall be paid by cheque made in favour of "Rajah & Tann Singapore LLP-CVY" and shall be held by LCCE's Solicitors as stakeholders pending completion of the sale and purchase of the KC Property under the terms of the SPA ("**KC Completion**");
- (b) on or before the date of the SPA, a sum of S\$1,107,000.00 being 9% of the Consideration to be paid to LCCE's Solicitors. The said sum of S\$1,107,000.00 shall be paid by cheque made in favour of "Rajah & Tann Singapore LLP-CVY" and shall be held by LCCE's Solicitors as stakeholders pending KC Completion.

Both the said sums of S\$123,000.00 and S\$1,107,000.00 shall be hereafter referred to as the "**Deposit**";

- (c) on KC Completion, the balance of the Consideration and GST on the full Consideration and any GST remaining unpaid, together with release of the Deposit to LCCE.

The Deposit will be refundable by LCCE to Samwoh in the event that specific terms of the SPA are not fulfilled, including, *inter alia*, if Samwoh receives any unsatisfactory reply to the legal requisitions relating to the KC Property, if LCCE fails to complete the SPA in

LETTER TO SHAREHOLDERS

accordance with the terms of a Notice to Complete (as defined in the SPA therein), and if there is Material Damage (as defined in Section 3.5.4 of this Circular) to the KC Property and/or the Plant and Equipment. The circumstances under which the Deposit will be refundable by LCCE to Samwoh are not uncommon in agreements for the sale and purchase of commercial property.

3.5.2 Conditions Precedent

The Proposed KC Disposal is subject to, *inter alia*, the following conditions precedent:

- (a) the written approval from JTC for the sale and purchase of the KC Property and the assignment/transfer of the unexpired leasehold term under the building agreement dated 2 October 2006 entered into between JTC and LCCE in respect of the KC Property or such remaining leasehold term as may be stipulated by JTC to Samwoh (the “**JTC Approval**”) having been granted by JTC to the sale and purchase of the KC Property for “recycling of used and production of new asphalt”;
- (b) LCCE obtaining the approval of the existing mortgagee of the KC Property;
- (c) Samwoh obtaining the approval (“**Competition Commission Approval**”) of the Competition Commission of Singapore (the “**CCS**”)¹ pursuant to Section 59 of the Competition Act (Cap 50B of Singapore) (“**Competition Act**”) to the purchase by Samwoh of the KC Property and the Plant and Equipment, without the attachment thereto of any conditions, remedies or commitments except as otherwise acceptable to the parties, acting reasonably; or, in the alternative, the parties reaching an agreement upon advice of the parties’ respective outside counsels that no application to the CCS is advisable or required; and
- (d) the Company obtaining the approval of the SGX-ST, shareholders of the Company and LCCE and each of their respective board of directors (wherever applicable) (each a “**Corporate Approval**”) to the sale of the KC Property (if so required) and the Company and LCCE shall respectively have the sole discretion of determining whether any Corporate Approval is required.

If any of the above conditions precedent is not fulfilled (or not waived by LCCE or Samwoh) by the date falling twenty-four (24) weeks after the date of the SPA or such other date as may be mutually agreed to between the parties acting reasonably, the SPA shall ipso facto cease and determine.²

3.5.3 KC Completion Date

Subject to fulfilment of the conditions of the SPA, KC Completion shall take place at the office of LCCE’s Solicitors or such other place as LCCE’s Solicitors may specify on the latest of the following dates:

- (a) the date falling on the expiry of twelve (12) weeks from the date of the SPA;

1 Samwoh is a competitor of the Company and Samwoh was concerned that Samwoh’s acquisition of the KC Property would be construed by the Competition Commission of Singapore as reducing competition.

2 As at the Latest Practicable Date, none of conditions precedent has been fulfilled. The parties are in the process of fulfilling all of the conditions precedent.

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- (b) the date falling twenty one (21) Business Days from the date of the JTC Approval;
- (c) the date falling fourteen (14) Business Days from the date of the Shareholders' approval;
- (d) where an Environmental Baseline Study ("**EBS**") is required by JTC under Clause 8 of the SPA, on the date falling on the expiry of fourteen (14) Business Days after JTC confirms in writing that the EBS is acceptable;
- (e) where decontamination works to be carried out on the KC Property or any part thereof ("**Decontamination Works**") is required by JTC, on the date falling on the expiry of fourteen (14) Business Days after JTC confirms in writing that the Decontamination Works carried out are satisfactory;
- (f) where Decontamination Works is required by JTC and JTC agrees to accept Samwoh's undertaking to complete the Decontamination Works after KC Completion, on the date falling on the expiry of fourteen (14) Business Days after JTC confirms in writing of its acceptance of Samwoh's undertaking;
- (g) on the expiry of fourteen (14) Business Days from JTC's written confirmation that JTC has no objection to LCCE's execution of the transfer/assignment of the KC Property; or
- (h) the date falling fourteen (14) Business Days from the date of Samwoh obtaining the Competition Commission Approval of the CCS pursuant to the Competition Act as specified in Clause 2.1(c) of the SPA,

(the "**KC Completion Date**").

3.5.4 Delivery of Possession of the KC Property and the Plant and Equipment

The material terms governing the delivery of possession of the KC Property and the Plant and Equipment are, *inter alia*:

- (a) subject to Samwoh applying to JTC for JTC's approval to LCCE's continued occupation of the KC Property from the period commencing on the date of KC Completion and ending two (2) months after the KC Completion Date (the "**Occupation Period**"), the parties agree that the KC Property and the Plant and Equipment shall be delivered to Samwoh two (2) months after the KC Completion Date on an "as is where is" basis and during the aforesaid two-month period after the KC Completion Date, LCCE shall be permitted to continue to remain in occupation of the KC Property and use the KC Property and the Plant and Equipment to enable LCCE to relocate its operations out of the KC Property¹, free of payment whatsoever except for utilities charges incurred by LCCE for the aforesaid two-month period after the KC Completion Date;

¹ As disclosed in Section 3.3 of this Circular, the production of asphalt premix has already been relocated to the Company's existing facility (with recycling capacity) at No. 3, Sungei Kadut Drive, Singapore 729556 and accordingly, the Proposed KC Disposal will have no impact on the Company's business operations.

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- (b) if at any time after the date of the SPA and before KC Completion, there is Material Damage to the KC Property and/or the Plant and Equipment, LCCE or Samwoh may elect by notice in writing to the other Party to rescind the SPA whereupon the Deposit must forthwith be refunded to Samwoh;
- (c) in the event that any time after the date of the SPA and before KC Completion, there is Material Damage to the KC Property and/or the Plant and Equipment, but the parties have elected not to rescind the SPA, the parties shall mutually agree on a date for LCCE to complete such repair and reinstatement works to make good the Material Damage at its own cost and expense without any payment of interest or compensation to Samwoh; and
- (d) under the SPA, “Material Damage” means that any part of the KC Property and/or the Plant and Equipment is damaged or destroyed such that:
 - (i) any part of the KC Property is rendered unsafe or inaccessible; or
 - (ii) the total cost of repair of the damage will exceed:
 - (I) S\$1,000,000.00 in respect of the KC Property; and
 - (II) S\$300,000.00 in respect of the Plant and Equipment,

such total cost of repairs to be determined by an independent qualified quantity surveyor accredited by the Singapore Institute of Surveyors and Valuers, jointly appointed by the parties at their joint costs and expense, and any dispute concerning the delivery of possession of the KC Property and the Plant and Equipment shall be determined by a single arbitrator appointed by the President of the Singapore Institute of Surveyors and Valuers.

3.6 RATIONALE FOR THE PROPOSED KC DISPOSAL

In line with the Debt Restructuring Plan, the Group has undertaken this Proposed KC Disposal exercise. The purchase of the KC Property and the Plant and Equipment was financed and upon completion of the Proposed KC Disposal and receipt of the Consideration, the Company will immediately settle the borrowings. Accordingly, the Board, after careful consideration, is of the view that the Consideration is fair and reasonable and that the Proposed KC Disposal is in the best interests of the Company and its Shareholders.

3.7 USE OF PROCEEDS

The Company expects to receive net proceeds of approximately S\$12,227,000 (the “**KC Net Proceeds**”) after deducting professional and related expenses incurred in connection with the Proposed KC Disposal. Upon immediate receipt of the KC Net Proceeds, the Company intends to use the entire KC Net Proceeds for repayment of bank borrowings in accordance with the Debt Restructuring Plan.

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3.8 RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006 OF THE LISTING MANUAL

The relative figures computed on the relevant bases set out in Rule 1006 of the Listing Manual in respect of the Proposed KC Disposal and based on the unaudited financial statements of the Group for FY2016 are as follows:

Rule 1006	Base	Relative figure computed in accordance with the bases set out in Rule 1006
(a)	The net asset ⁽¹⁾ value of the assets to be disposed of, compared with the Group's net asset value	73.78% ⁽²⁾
(b)	The net profits ⁽³⁾ attributable to the assets disposed of, compared with the Group's net profits	Not applicable to the Proposed KC Disposal as the subject matter is property, plant and equipment and the KC Property is not rented out. Further, the Group made a net loss for FY2016.
(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation ⁽⁴⁾ based on the total number of issued shares excluding treasury shares	74.15%
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable to a disposal.

Notes:

- (1) "Net asset" means total assets less total liabilities, including non-controlling interests.
- (2) Based on the unaudited financial statements of the Group for FY2016, the net asset value attributable to the KC Property and the Plant and Equipment was S\$4,445,401 and the net asset value of the Group was approximately S\$6,025,399.
- (3) "Net profits" means profit or loss before income tax, non-controlling interests and extraordinary items.
- (4) "Market capitalisation" of S\$16,587,396 is calculated by the total number of shares of the Company (excluding treasury shares), amounting to 592,406,996 shares, multiplied by the closing market price of S\$0.028 per Share for trades done on the SGX-ST on 19 May 2016, being the day on which the SPA was signed (after trading hours).

As the relative figures in Rules 1006(a) and 1006(c) computed on the basis set out in Rule 1006 of the Listing Manual above exceeds 20%, the Proposed KC Disposal constitutes a "major transaction" under Chapter 10 of the Listing Manual and is conditional upon the approval of Shareholders at the EGM.

LETTER TO SHAREHOLDERS

3.9 INTERESTS IN THE PROPOSED KC DISPOSAL

None of the Directors of the Group and, to the best of the Directors' knowledge, none of the other substantial shareholders of the Group has any interest, direct or indirect, in the Proposed KC Disposal, other than through their respective shareholdings in the Group as disclosed in Section 5 of this Circular.

3.10 DIRECTORS' SERVICE CONTRACTS

No person is proposed to be appointed as a Director in connection with the Proposed KC Disposal. Accordingly, no service contract is proposed to be entered into between the Company and any such person in connection with the Proposed KC Disposal.

4. FINANCIAL EFFECTS OF THE PROPOSED DISPOSALS

4.1 Bases and Assumptions

For the purposes of illustration only, the pro forma financial effects of the Proposed SK Disposal and/or the Proposed KC Disposal taken as a whole are set out below. The pro forma financial effects have been prepared based on the audited consolidated financial statements of the Group for the financial period ended 31 December 2014 and do not necessarily reflect the actual future financial position and performance of the Group following completion of the Proposed SK Disposal and/or the Proposed KC Disposal.

4.2 Share Capital

The Proposed SK Disposal and/or the Proposed KC Disposal have/has no impact to the Company's issued share capital.

4.3 Net Tangible Assets

Assuming that the Proposed SK Disposal and/or the Proposed KC Disposal were/was completed on 31 December 2014 and based on the Group's audited consolidated financial statements for the financial period ended 31 December 2014 and disregarding any interest, revenue and/or return that may arise from the Proposed SK Disposal, the pro forma financial effects of the Proposed SK Disposal and/or the Proposed KC Disposal on the consolidated NTA (excluding non-controlling interests) of the Group are as follows:

(i) Assuming that only the Proposed SK Disposal was completed on 31 December 2014:

	As at 31 December 2014	
	NTA of the Group (S\$'000)	NTA per share (cents)
Before the Proposed SK Disposal	70,464	11.9
After the Proposed SK Disposal	73,992	12.5

LETTER TO SHAREHOLDERS

- (ii) Assuming that only the Proposed KC Disposal was completed on 31 December 2014:

	As at 31 December 2014	
	NTA of the Group (S\$'000)	NTA per share (cents)
Before the Proposed KC Disposal	70,464	11.9
After the Proposed KC Disposal	78,245	13.2

- (iii) Assuming that both the Proposed Disposals were completed on 31 December 2014:

	As at 31 December 2014	
	NTA of the Group (S\$'000)	NTA per share (cents)
Before the Proposed Disposals	70,464	11.9
After the Proposed Disposals	81,773	13.8

4.4 Earnings Per Share

Assuming that the Proposed SK Disposal and/or the Proposed KC Disposal had been completed on 1 January 2014 and based on the Group's audited consolidated financial statements for the financial period ended 31 December 2014 and disregarding any interest, revenue and/or return that may arise from the Proposed SK Disposal, the pro forma financial effects of the Proposed SK Disposal and/or the Proposed KC Disposal on the consolidated EPS of the Group are as follows:

- (i) Assuming that only the Proposed SK Disposal had been completed on 1 January 2014:

	For the financial period ended 31 December 2014	
	Net Profit attributable to the Group (S\$'000)	EPS (cents)
Before the Proposed SK Disposal	(35,998)	(6.1)
After the Proposed SK Disposal	(32,470)	(5.5)

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- (ii) Assuming that only the Proposed KC Disposal had been completed on 1 January 2014:

	For the financial period ended 31 December 2014	
	Net Profit attributable to the Group (S\$'000)	EPS (cents)
Before the Proposed KC Disposal	(35,998)	(6.1)
After the Proposed KC Disposal	(28,216)	(4.8)

- (iii) Assuming that both the Proposed Disposals had been completed on 1 January 2014:

	For the financial period ended 31 December 2014	
	Net Profit attributable to the Group (S\$'000)	EPS (cents)
Before the Proposed Disposals	(35,998)	(6.1)
After the Proposed Disposals	(24,824)	(4.2)

4.5 Gearing

Assuming that the Proposed SK Disposal and/or the Proposed KC Disposal had been completed on 31 December 2014 and based on the Group's audited consolidated financial statements for the financial period ended 31 December 2014 and disregarding any interest, revenue and/or return that may arise from the Proposed SK Disposal, the pro forma financial effects of the Proposed SK Disposal and/or the Proposed KC Disposal on the gearing of the Group are as follows:

- (i) Assuming that only the Proposed SK Disposal had been completed on 1 January 2014:

	As at 31 December 2014		
	Total Debts (S\$'000)	Total Equity (S\$'000)	Gearing Ratio (times)
Before the Proposed SK Disposal	139,805	70,924	1.97
After the Proposed SK Disposal	133,068	73,992	1.80

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- (ii) Assuming that only the Proposed KC Disposal had been completed on 1 January 2014:

	As at 31 December 2014		
	Total Debts (S\$'000)	Total Equity (S\$'000)	Gearing Ratio (times)
Before the Proposed KC Disposal	139,805	70,924	1.97
After the Proposed KC Disposal	127,578	78,245	1.63

- (iii) Assuming that both the Proposed Disposals had been completed on 1 January 2014:

	As at 31 December 2014		
	Total Debts (S\$'000)	Total Equity (S\$'000)	Gearing Ratio (times)
Before the Proposed Disposals	139,805	70,924	1.97
After the Proposed Disposals	120,841	81,773	1.48

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and Substantial Shareholders in the issued share capital of the Company as at the Latest Practicable Date, as recorded in the register of director's shareholdings and the register of substantial shareholders kept by the Company, were as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	%	Number of Shares	%
Directors				
Toh Choo Huat ⁽¹⁾	397,000	0.067	296,379,500	50.03
Koh Tiam Teng Francis	29,008,571	4.90	–	–
Dr Low Boon Hwee	480,000	0.08	–	–
Teo Ho Beng	–	–	–	–
Ling Chung Yee Roy	–	–	–	–
Chia Soon Hin William	–	–	–	–
Substantial Shareholders (other than Directors)				
Zheng Choon Holding Pte Ltd	296,379,500	50.03	–	–
Toh Swee Kim ⁽²⁾	110,000	0.019	296,379,500	50.03
Toh Chew Leong ⁽³⁾	–	–	296,379,500	50.03
Toh Chew Chai ⁽⁴⁾	–	–	296,379,500	50.03
Hiap Hoe Investment Pte Ltd	88,268,000	14.9	–	–
Hiap Hoe Limited ⁽⁵⁾	–	–	88,268,000	14.9

LETTER TO SHAREHOLDERS

Notes:

- (1) Mr Toh Choo Huat holds 27.2% of the shareholding in Zheng Choon Holding Pte Ltd. As such, Mr Toh Choo Huat is deemed to be interested in the Shares held by Zheng Choon Holding Pte Ltd.
- (2) Mr Toh Swee Kim holds 23.7% of the shareholding in Zheng Choon Holding Pte Ltd. As such, Mr Toh Swee Kim is deemed to be interested in the Shares held by Zheng Choon Holding Pte Ltd.
- (3) Mr Toh Chew Leong holds 25.4% of the shareholding in Zheng Choon Holding Pte Ltd. As such, Mr Toh Chew Leong is deemed to be interested in the Shares held by Zheng Choon Holding Pte Ltd.
- (4) Mr Toh Chew Chai holds 23.7% of the shareholding in Zheng Choon Holding Pte Ltd. As such, Mr Toh Chew Chai is deemed to be interested in the Shares held by Zheng Choon Holding Pte Ltd.
- (5) Hiap Hoe Investment Pte Ltd is 100% owned by Hiap Hoe Limited. As such, Hiap Hoe Limited is deemed to be interested in the Shares held by Hiap Hoe Investment Pte Ltd.

6. DIRECTORS' RECOMMENDATION

After having considered, amongst other things, the terms and/or rationale of the Proposed Disposals, the Directors are of the view that the Proposed Disposals are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of the Proposed Disposals.

7. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on page 23 of this Circular, will be held on 12 August 2016 at 10.00 a.m. for the purpose of considering and, if thought fit, passing, with or without modifications the resolutions set out therein.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and who wish to appoint a proxy to attend and vote at the EGM on their behalf shall complete and sign the attached proxy form in accordance with the instructions printed thereon and return it to the Company's registered office at 3 Sungei Kadut Drive Singapore 729556 not less than 48 hours before the time fixed for the holding of the EGM. The completion and return of the proxy form by a Shareholder will not preclude him from attending the EGM and voting in person in place of his proxy should he subsequently wish to do so.

A Depositor shall not be regarded as a Shareholder of the Company entitled to attend the EGM and to speak and vote thereat unless his name appears on the Depository Register maintained by the CDP at least 72 hours before the EGM.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Disposals, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER TO SHAREHOLDERS

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 3 Sungei Kadut Drive Singapore 729556 during normal business hours from the date of this Circular up to and including the time and date of the EGM:

- (a) the Annual Report of the Company for FY2016;
- (b) the Constitution of the Company;
- (c) the Option; and
- (d) the SPA.

Yours faithfully

For and on behalf of the Board of Directors of
LEY CHOON GROUP HOLDINGS LIMITED

Toh Choo Huat
Executive Chairman and Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING



LEY CHOON GROUP HOLDINGS LIMITED

(Incorporated in Republic of Singapore)
(Company Registration Number: 198700318G)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of the Company will be held on 12 August 2016 at 10.00 a.m. at No. 3, Sungei Kadut Drive, Singapore 729556, for the purpose of considering and, if thought fit, passing (with or without modifications) the following ordinary resolutions:

1. ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF 4 SUNGEI KADUT STREET 2, SINGAPORE 729226

Resolved that:

- (a) the Company's proposed disposal of the property known as 4 Sungei Kadut Street 2, Singapore 729226 (the "**Proposed SK Disposal**") be and is hereby approved; and
- (b) the Directors of the Company and each of them be and are hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Proposed SK Disposal, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this resolution or the transactions contemplated pursuant to or in connection with the Proposed SK Disposal.

2. ORDINARY RESOLUTION – THE PROPOSED DISPOSAL OF 55 KRANJI CRESCENT, SINGAPORE 728662 TOGETHER WITH THE PLANT AND EQUIPMENT

Resolved that:

- (a) the Company's proposed disposal of:
 - (i) the property comprised in Lot 3465C of Mukim 11 (also known as Private Lot A1276500) together with the building erected known as 55 Kranji Crescent, Singapore 728662 (the "**Property**"); and
 - (ii) the asphalt premix manufacturing plant together with all plant and equipment in connection therewith situated at the Property and set out in the Schedule 1 of the sale and purchase agreement dated 19 May 2016 entered into by the Company and Samwoh Premix Pte. Ltd.

(the "**Proposed KC Disposal**") be and is hereby approved; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (b) the Directors of the Company and each of them be and are hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Proposed KC Disposal, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this resolution or the transactions contemplated pursuant to or in connection with the Proposed KC Disposal.

By Order of the Board

Toh Choo Huat
Executive Chairman and Chief Executive Officer

28 July 2016

Notes:

1. Terms and expressions not defined herein but which are defined in this Circular shall have the same meanings when used herein.
2. A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint not more than 2 proxies to attend and vote on his/her behalf, save that no such limit shall be imposed on the number of proxies appointed by members which are nominee companies. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
3. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“Relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. The Proxy Form must be deposited at the registered office of the Company at 3 Sungei Kadut Drive Singapore 729556, not less than 48 hours before the time fixed for holding the Extraordinary General Meeting in order to be entitled to attend and to vote at the Extraordinary General Meeting. The sending of a Proxy Form by a member does not preclude him from attending and voting in person if he finds that he is unable to do so. In such event, the relevant Proxy Forms will be deemed to be revoked.
 5. A Depositor’s name must appear on the Depository Register maintained by CDP as at 72 hours before the time fixed for holding the Extraordinary General Meeting in order to be entitled to attend and vote at the Extraordinary General Meeting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

6. The instrument appointing a proxy or proxies must be signed by the appointor or his attorney duly authorised in writing. Where the instruction appointing a proxy is executed by a corporation, it must be executed either under its seal or under the hand of any officer or attorney duly authorised.
7. By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

LEY CHOON GROUP HOLDINGS LIMITED

(Incorporated in Republic of Singapore)
(Company Registration Number: 198700318G)

IMPORTANT

This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ (name)
of _____ (address)
being a member/members of Ley Choon Group Holdings Limited (the “**Company**”), hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholding	
			No. of Shares	%
and/or (delete as appropriate)				

and/or such other persons as furnished by us in accordance with Note 4 of this proxy form, or failing him/her, the Chairperson of the Meeting, as my/our proxy/proxies to attend and vote for me/us on my/our behalf, at the Extraordinary General Meeting (the “**EGM**”) of the Company to be held at No. 3, Sungei Kadut Drive, Singapore 729556 on 12 August 2016 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the EGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her discretion.

(* If you wish to exercise all your votes “For” or “Against”, please indicate your vote “For” or “Against” with “X” within the box provided. Alternatively, please indicate the number of votes as appropriate.)

No.	Resolution	For*	Against*
1.	Proposed Disposal of 4 Sungei Kadut Street 2, Singapore 729226		
2.	Proposed Disposal of 55 Kranji Crescent, Singapore 728662 together with the Plant and Equipment		

Dated this _____ day of _____ 2016

Total number of Shares held:	
(a) Depository Register	
(b) Register of Shareholders	

Signature(s) of Member(s)
or Common Seal of Corporate Member

* **IMPORTANT: PLEASE READ NOTES OVERLEAF**

PROXY FORM

Notes:

1. Please insert the total number of shares held by you. If you have Shares entered against your name in the Depository Register (as define in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert the number of Shares. If you have Shares registered in your name in the Depository and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member entitled to attend and vote at the EGM is entitled to appoint not more than 2 proxies to attend and vote on his/her behalf, save that no such limit shall be imposed on the number of proxies appointed by members which are nominee companies.
3. Where a member appoints more than one proxy, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
4. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“Relevant intermediary” means:
 - (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. A proxy need not be a member of the Company.
6. The instrument appointing a proxy or proxies must be deposited at the Company’s registered office at 3 Sungei Kadut Drive, Singapore 729556, not less than 48 hours before the time set for the EGM.
7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
8. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
9. A corporation which is a member may authorised by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the meeting, in accordance with Section 179 of the Companies Act, Cap. 50.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time set for the EGM, as certified by The Central Depository (Pte) Limited to the Company.
11. The submission of an instrument or form appointing a proxy by a Shareholder of the Company does not preclude him from attending and voting in person at the EGM, if he is able to do so.
12. A Depositor’s name must appear in the Depository Register maintained by the Central Depository (Pte) Limited not less than 72 hours before the time appointed for the holding of the EGM in order for him to be entitled to vote at the EGM.
13. By attending the EGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of EGM.