
INCREASE IN SHAREHOLDING IN LUM CHANG TIEN WAH PROPERTY SDN BHD

Reference is made to the announcement of 16 May 2016 in relation to the joint venture with Tien Wah Properties Sdn Bhd ("**TWP**") for the acquisition of land at Petaling Jaya, Selangor Darul Ehsan, Malaysia (the "**Land**"), for property development purposes.

The Board of Directors (the "**Board**") of the Company now wishes to announce that the Company, through its wholly-owned subsidiary in Singapore, Kemensah Holdings Pte Ltd ("**KHPL**"), had on 7 December 2018 increased its shareholding in the joint venture company, Lum Chang Tien Wah Property Sdn Bhd ("**LCTWP**") (formerly known as Sterling Model Sdn Bhd) from 5,000,000 ordinary shares to 35,000,000 ordinary shares (the "**Share Increase**").

The Share Increase is by way of an allotment by LCTWP of an additional 30,000,000 new ordinary shares to KHPL issued at a price of RM1.00 each. Another 30,000,000 ordinary shares were allotted to TWP. The proceeds from the Share Increase will be used for the purposes of funding (in part) the settlement for the acquisition of the Land.

Following the Share Increase, LCTWP remains a 50%-owned associated company of the Company.

The Share Increase was funded through the internal cash resources of the Company and is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Lum Chang Group for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Share Increase, other than through their direct or indirect shareholdings in the Company.

BY ORDER OF THE BOARD

Tony Fong
Tan Eng Chan Gerald
Company Secretaries
7 December 2018