



LIAN BENG GROUP LTD

Registration No. 199802527Z

PROPOSED SUBSCRIPTION OF SHARES IN DATAPULSE TECHNOLOGY LIMITED ("DATAPULSE")

1. Introduction

The Board of Directors of Lian Beng Group Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has entered into a Subscription Agreement dated 29 April 2015 (the "**Subscription Agreement**") with Datapulse for the subscription of 100 million new ordinary shares ("**Subscription Shares**") to be issued by Datapulse, representing approximately 14.4% of the total enlarged number of issued ordinary shares ("**Shares**") in the capital of Datapulse ("**Proposed Subscription**").

2. Consideration

The total consideration paid by the Company for the Proposed Subscription is S\$11,235,000 and was arrived at on a willing-buyer and willing-seller basis, and the subscription price per Subscription Share of S\$0.11235 represents a discount of 10% from the volume weighted average prices ("**VWAP**") of the Shares traded on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 24 April 2015 and up to 9.30 am on 27 April 2015 (when the trading halt was effected).

The VWAP of the Shares traded on the SGX-ST on 24 April 2015 and up to 9.30 am on 27 April 2015 was S\$0.12483.

3. Information on Datapulse

Datapulse is a company listed on the Mainboard of the SGX-ST principally involved in the business of the manufacture of digital storage media used for content distribution in the Asia Pacific region. It has obtained a shareholders' approval to diversify into property development, investment and trading business on 8 March 2013.

4. Material conditions

The Proposed Subscription is conditional upon the fulfillment of, *inter alia*, the following conditions:

- (a) the submission of the additional listing application by Datapulse and the receipt of the approval in-principle from the SGX-ST for the listing of and quotation for the Subscription Shares on the Mainboard of the SGX-ST, such approval not having been revoked or amended and, where such approval is subject to conditions, to the extent that any conditions for the listing of and quotation for the Subscription Shares on the Mainboard of the SGX-ST are required to be fulfilled on or before the date of completion of the Proposed Subscription, they are so fulfilled; and
- (b) the receipt of all necessary approvals, consents or waivers from any governmental body, regulatory authority or other third party for the Proposed Subscription (where applicable and as the case may be), and if such approvals, consents or waivers are granted subject to conditions, such conditions being acceptable to the relevant party, and if any conditions are required to be satisfied by Completion (as defined in the Subscription Agreement), such conditions being so satisfied.

Pursuant to the Subscription Agreement, the Company shall not either directly or indirectly, sell, transfer or otherwise dispose of any of the 100,000,000 Subscription Shares for a period of 1 year from the date of issue of the Subscription Shares.

5. Rationale and benefit of the Proposed Subscription

The Proposed Subscription is in line with the Group's core business activities and it is a strategic investment by the Company with a view to grow its core businesses, as Datapulse can be a strategic partner (including participating in joint ventures) in the Group's future property development opportunities. In addition, the Company will become a strategic investor of Datapulse as it has suitable experience in property development.

6. Source of Funds

The Company will be financing the Proposed Subscription through bank borrowings and internal resources.

7. Financial Effects of the Proposed Subscription

The Proposed Subscription is not expected to have any material effect on the Group's net tangible assets per share nor earning per share for the current financial year.

8. Relative Figures computed based on Rule 1006 of the Listing Manual

The relative figures for the Proposed Subscription computed on the bases set out in Rule 1006 of the Listing Manual are set out below:

1006 (a)	Net Asset Value Test	Not applicable as this transaction is an Proposed Subscription and not a disposal of assets.
1006 (b)	Profits Test	0.6%.
1006 (c)	Consideration Test	3.9%.
1006 (d)	Equity Securities Test	Not applicable as no equity securities are to be issued as consideration for the Proposed Subscription.
1006(e)	Proven and Probable Reserves Test	Not applicable as this basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company.

Notes:

1. The unaudited net profit of S\$0.2 million attributable to 100 million ordinary shares of Datapulse for half year ended 31 January 2015 represents approximately 0.6% of the Group's unaudited net profit of S\$41.2 million for the half year ended 30 November 2014.
2. The purchase consideration of S\$11,235,000 for the proposed subscription represents approximately 3.9% of the Company's market capitalization of approximately S\$285.7 million as at 28 April 2015.

Having regard to the above, the Proposed Subscription is a "Non-Discloseable Transaction" under Rule 1008 of the Listing Manual.

9. Relative figures computed pursuant to Rule 704(17) of the Listing Manual

Relative figures computed pursuant to Rule 704(17) of the Listing Manual are as follows:-

	Before the Proposed Subscription	After the Proposed Subscription
Aggregate cost of the Group's quoted securities	\$98.9 million	\$110.0 million
Aggregate cost of the Group's quoted securities as a percentage of the Group's latest audited net tangible assets as at 31 May 2014	21.7%	24.2%
Total market value of the Group's quoted securities	\$98.6 million	\$109.8 million
Aggregate amount of provision for diminution in value of the Group's quoted securities	Nil	Nil

10. Interest of Directors and Controlling Shareholders

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Subscription.

By Order of the Board

Ong Pang Aik
Chairman and Managing Director
29 April 2015