LIAN BENG GROUP LTD
Registration No. 199802527Z

INTERNAL RESTRUCTURING

Capitalised words which are not defined in this announcement shall carry the same meanings ascribed to them in the announcement dated 12 March 2012.

Background

The Company had intended to seek a listing of the Group's engineering and concrete business on the Stock Exchange of Taiwan through SLH and for this purpose, the Company had effected an internal restructuring of the shareholding structure of the Relevant Subsidiaries by consolidating all its interest in the Relevant Subsidiaries under SLH (the "Previous Restructuring"). Following the completion of the Previous Restructuring, SLH hold 100% interest in the Relevant Subsidiaries and the Company holds 41,094,582 ordinary shares, representing 96.5% in the capital of SLH ("SLH Shares").

Internal restructuring

As announced on 15 October 2012, the Company had decided not to proceed with the Proposed Listing. Accordingly, SLH has agreed to, *inter alia*, transfer the shares of the Relevant Subsidiaries held by it to the Company (the "Current Restructuring"), such that the group structure will revert to the original structure prior to the completion of the Previous Restructuring.

Upon the completion of the Current Restructuring, the Relevant Subsidiaries will become direct subsidiaries of the Company.

The Current Restructuring is not expected to have any material impact on the net tangible assets per share and earning per share of the Group for the current financial year ending 31 May 2015.

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

By Order of the Board

Ong Pang Aik
Chairman and Managing Director
30 October 2014