



## **LIAN BENG GROUP LTD**

Registration No. 199802527Z

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### **PROPOSED SPIN-OFF AND LISTING OF THE GROUP'S PROPERTY DEVELOPMENT BUSINESS**

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*Unless otherwise defined, all capitalized terms used in this announcement shall bear the same meanings as in the Company's announcement dated 12 October 2017 ("**Announcement**").*

#### **A) Restructuring Agreement**

The board of directors (the "**Board**" or the "**Directors**") of Lian Beng Group Ltd (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the Announcement and wishes to announce that in connection with the Proposed Spin-Off and the Proposed Listing, the Company had, on 23 March 2018, entered into a restructuring agreement with its wholly-owned subsidiary, SLB Development Pte. Ltd. ("**SLB**") (formerly known as Lian Beng Development Holding Pte. Ltd. and LBD Holding Pte. Ltd.) ("**Restructuring Agreement**").

SLB would be the holding company for the companies in the Group which is engaged in the property development business ("**SLB Group**") in connection with the Proposed Listing. Pursuant to the Restructuring Agreement, SLB will acquire all of the issued and paid-up ordinary shares held by the Company ("**Proposed Restructuring**") in each of Smooth Venture Pte Ltd, Goldprime Investment Pte. Ltd., LBD (Midtown) Pte. Ltd., Spottiswoode Development Pte. Ltd., Luxe Development Pte. Ltd., Starview Investment Pte. Ltd., Wealth Development Pte. Ltd., Wealth Property Pte. Ltd., LBD (China) Pte. Ltd., Goldprime Land Pte. Ltd, and Wellprime Pte. Ltd. (collectively, the "**Sale Companies**"). The consideration for the transfer of the shares in the Sale Companies shall be S\$33,648,446 ("**Consideration**"), after taking into account the unaudited net asset value of the Sale Companies as at 30 November 2017 (where the unaudited net asset value of the relevant company is negative as at 30 November 2017, a nominal consideration of S\$1 will be paid to the Company for the acquisition of shares of these companies). The Consideration shall be satisfied by way of allotment and issuance of 33,648,446 ordinary shares in SLB to the Company.

Subsequent to 30 November 2017, Spottiswoode Development Pte. Ltd., had declared an aggregate amount of dividends of S\$6.0 million to the Company. The aforesaid S\$6.0 million was set-off against the amounts owing by the SLB Group to the Group upon the completion of the Proposed Restructuring, further details of which are set out below.

#### **B) Completion of Proposed Restructuring**

The Board wishes to further announce that SLB had on 23 March 2018:

- (a) completed the Proposed Restructuring, pursuant to which the Sale Companies became part of the SLB Group;
- (b) issued 60,000,000 ordinary shares to the Company pursuant to the capitalisation of shareholders' loans extended by the Company of an aggregate amount of S\$60,000,000;
- (c) sub-divided its ordinary shares from 93,648,456 ordinary shares to 675,000,000 ordinary shares; and
- (d) effected the conversion of its status from a private company into a public company named "SLB Development Ltd."

Accordingly, the issued and paid up share capital of SLB Development Ltd has increased from 10 ordinary shares comprising S\$10 to 675,000,000 ordinary shares comprising S\$93,648,456.

None of the Directors and controlling shareholders of the Company has any direct or indirect interests in the above transaction save for their respective shareholdings in the Company.

**The Company would like to highlight that the Proposed Listing is dependent on, *inter alia*, the then-prevailing market conditions. Further, the Directors may, notwithstanding that all requisite regulatory approvals have been obtained or will be obtained in due course, decide not to proceed with the Proposed Listing if, having regard to investors' interests and response at the material time and any other relevant factors, the Directors deem it not in the interests of the Company to proceed with the same. Accordingly, there is no assurance that the Proposed Listing will materialise in due course.**

**Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.**

BY ORDER OF THE BOARD

Ong Pang Aik  
Chairman and Managing Director  
27 March 2018