LIAN BENG GROUP LTD
Registration No. 199802527Z

PROPOSED DISPOSAL OF PROPERTY IN MELBOURNE BY SUBSIDIARY

1. Introduction

The Board of Directors of Lian Beng Group Ltd (the "Company", and together with its subsidiaries, the "Group") wishes to announce that Lian Beng (St Kilda) Pty Ltd ("Vendor"), a wholly-owned subsidiary of Goldprime Realty Pte. Ltd. ("Goldprime"), a 80%-owned subsidiary of the Company, had entered into a contract of sale ("Contract of Sale") with unrelated third party ("Purchaser"), for the proposed disposal of the property at Units 1 to 19 of 596 St Kilda Road, Melbourne, Australia ("Property") ("Proposed Disposal").

2. Information on the Property

The Property is a freehold property with a total site area of approximately 1,803.6 sq m, with a three storey residential complex comprising 19 separately titled apartments. The Property is situated on the southern precinct of St Kilda Road, having two street frontages.

3. Sale Consideration

The aggregate sale consideration for the disposal of Property is A$34,000,000 ("Sale Consideration"). The Sale Consideration was arrived at on a willing-buyer and willing-seller basis taking into account the book value of the Property and current market prices of the properties in the surrounding vicinity of the Property.

The Sale Consideration will be satisfied in the following manner:

(a) a initial deposit of A$1,700,000 (being 5% of the Sale Consideration) will be received by the Vendor from the Purchaser on the execution of the Contract of Sale;

(b) a further deposit of A$1,700,000 (being 5% of the Sale Consideration) will be received by the Vendor from the Purchaser on 1 August 2017; and

(c) the balance of the Sale Consideration of A$30,600,000 (being 90% of the Sale Consideration) will be received by the Vendor from the Purchaser upon completion of the Proposed Disposal.

4. Rationale

The Proposed Disposal is an opportunity for the Group to realise good value for its investment and enhance the Group's financial position. As the Proposed Disposal is in line with the Group's ordinary course of business and is of a revenue nature, Chapter 10 of the Singapore Exchange Securities Trading Limited's listing manual does not apply to the Proposed Disposal.

5. Material Conditions

The Contract of Sale constitutes a binding contract for the sale and purchase of the Property on the terms and conditions set forth in the Contract of Sale.

The sale and purchase of the Property shall be completed on or before 22 January 2018.

6. Interest of Directors and Controlling Shareholders

Mr Ko Chuan Aun, Independent Director and shareholder of the Company, is also Independent Director of KSH Holdings Limited, holding company of Development (88) Pte. Ltd., which holds 20 per cent of paid-up share capital of Goldprime.

Save as disclosed above, as at the date of this announcement, none of the other Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal, other than through their respective shareholdings (if any) in the Company. The Purchaser is not related to any of the Directors or Controlling Shareholders of the Company.

BY ORDER OF THE BOARD

Ong Pang Aik
Chairman and Managing Director
24 July 2017