LIAN BENG GROUP LTD
Registration No. 199802527Z

JOINT VENTURE IN PEOPLE'S REPUBLIC OF CHINA

The Board of Directors of Lian Beng Group Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that KAP Holdings (China) Pte. Ltd. ("**KAP**"), a 15%-owned investment company held by Lian Beng (China) Pte. Ltd. ("**LBCPL**"), a wholly-owned subsidiary of the Company, has entered into a joint venture with Beijing Jin Hua Tong Da Real Estate Development Co., Ltd. (北京津华通达房地产开发有限公司) ("**BJJHTD**") and incorporated a joint venture company, named Sino-Singapore KAP Construction Co., Ltd. (阿尔伯特园建筑工程有限公司) ("**SSKAP**"), in the People's Republic of China ("**PRC**"). It is intended for SSKAP to undertake property development in the PRC.

KAP is a Singapore-incorporated company whose shareholders are Oxley China Pte. Ltd. (holding 50% equity interest); Prospere Development Pte. Ltd. (holding 15% equity interest); LBCPL (holding 15% equity interest); TEE Property Pte. Ltd. (holding 10% equity interest) and Zap Investments (China) Pte. Ltd. (holding 10% equity interest).

BJJHTD is a PRC-incorporated company whose shareholders are Beijing Jia Hua Hong Yuan Investment Co., Ltd. (北京嘉华宏远投资有限公司) (holding 55% equity interest) and Duford Investment (Hong Kong) Limited, a wholly-owned subsidiary of KSH Holdings Limited (holding 45% equity interest).

SSKAP has a registered share capital of RMB360,000,000 (approximately S$74,150,000) which will be injected by KAP and BJJHTD in equal shares. KAP and BJJHTD will each hold 50% equity interest in SSKAP.

The Group's investment of RMB27,000,000 (approximately S$5,625,000) in SSKAP will be funded by internal resources and is not, in itself, expected to have any material impact on the earnings per share or net tangible assets per share of the Company for the current financial year ending 31 May 2014.

None of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the aforesaid transaction, save through his shareholding (if any) in the Company.

By Order of the Board

Ong Pang Aik
Chairman and Managing Director
24 March 2014