LIAN BENG GROUP LTD
Registration No. 199802527Z

AWARD OF TENDER BY JTC CORPORATION FOR LEASE OF LAND FOR DEVELOPMENT AND USE AS A FOREIGN WORKERS' DORMITORY BY ASSOCIATE COMPANY

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's indirect 49%-owned associate company Centurion-Lian Beng (Ubi) Pte. Ltd. (the "**JVCo**"), has on 13 January 2023 awarded a tender by JTC Corporation for the lease of land held under lot no. 6689C of Mukim 23, located at Ubi Avenue 3 in Singapore (the "**Land**") for development and use as a foreign workers' dormitory.

2. INFORMATION ON THE JVCO

Information relating to the JVCo is as follows:

Name of company:	Centurion-Lian Beng (Ubi) Pte. Ltd.
Place of incorporation:	Republic of Singapore
Principal activities:	Provision of dormitory services
Initial issued and paid-up share capital:	S$100.00 comprising 100 ordinary shares
Shareholders:	(i) Centurion Dormitory Venture Pte. Ltd. – 51 ordinary shares (51%) (ii) Goldprime (Ubi) Pte. Ltd. (a wholly-owned subsidiary of the Company) – 49 ordinary shares (49%)

Centurion Dormitory Venture Pte. Ltd. is a wholly-owned subsidiary of Centurion Corporation Limited which is listed on both the Mainboard of the Singapore Exchange and The Stock Exchange of Hong Kong Limited.

The principal activities of Centurion Corporation Limited include investment holding and the provision of management services. Together with its subsidiaries, the Centurion Group owns, develops and manages purpose-built workers and students accommodation assets, and also manufactures and sells optical disc and related storage products.

3. INFORMATION ON THE LAND AND THE TENDER

The Land under the tender is expected to be developed with a capacity of 1,650 beds (approved capacity) for foreign workers who are work permit holders (the "**Proposed Development**"). It has a lease term of 30 years and comprises a land area of 7,044.80 square metres.

The tendered price is approximately S$40.2 million (exclusive of GST), payable by the JVCo in the following manner:

(a) a tender deposit of approximately S$2.0 million was paid by the JVCo by way of cashier's order on the date of submission of the tender, which amount will constitute part-payment towards the tendered price; and

(b) the balance of approximately S$38.2 million and the GST and other transaction costs thereon are payable no later than 60 days from 13 January 2023 by way of cashier's order or bank transfer.

In addition, the ad valorem stamp duty shall be payable on the tender acceptance letter within 14 days thereof. Vacant possession of the Land will be delivered to the JVCo upon the receipt of payments and the documents mentioned in the conditions of tender.

4. RATIONALE OF THE TENDER

The tender was submitted in the ordinary course of business of the Group of providing dormitory accommodation. The Group views the tender as a good opportunity to grow its dormitory business and to build on the Group's existing workers accommodation portfolio, where the Group can derive rental returns which will be added to the earnings of the Group.

5. SOURCE OF FUNDS

The establishment of the JVCo was funded by internal resources. The lease of Land and the Proposed Development will be funded through internal resources and bank borrowings.

The above transactions are not expected to have any material impact on the consolidated net tangible assets per share or earnings per share of the Group for the financial year ending 31 May 2023.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Ko Chuan Aun, the Independent Director of the Company, holds less than 1% shareholding in Centurion Corporation Limited. Save as disclosed, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Development other than through their respective shareholdings (if any) in the Company.

7. FURTHER ANNOUNCEMNETS

The Company will release further announcements as and when there are material developments on the Proposed Development.

BY ORDER OF THE BOARD

Ong Pang Aik BBM (L)
Chairman and Managing Director
15 January 2023