LIAN BENG GROUP LTD
Registration No. 199802527Z

INVESTMENT IN JOINT VENTURE COMPANY AND PURCHASE OF PROPERTY

The Board of directors (the "**Board**") of Lian Beng Group Ltd (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce the following:

(A) INVESTMENT IN GLENTHORNE PTE. LTD.

(1) LB Property (S) Pte. Ltd. ("**LBP**"), a wholly-owned subsidiary of the Company has entered into a joint venture arrangement to incorporate Glenthorne Pte. Ltd. ("**Glenthorne**") with the allotment and issuance of 100 ordinary shares of S$1.00 each for cash consideration in the capital of Glenthorne as follows:-

	Name of Member	Number of Shares allotted and issued	Percentage of shareholdings
(i)	Heeton Capital Pte. Ltd.	60	60
(ii)	RMTL Investment Pte. Ltd.	20	20
(iii)	KSH Land Development Pte. Ltd.	10	10
(iv)	LB Property (S) Pte. Ltd.	10	10

(2) Glenthorne owns the entire issued and paid-up share capital of Ace Zone Holdings Limited ("**Ace Zone**"), a company incorporated in the British Virgin Island, following the transfer of 2 ordinary shares of US$1.00 each in Ace Zone from Heeton Capital Pte. Ltd. to Glenthorne.

(3) Heeton Capital Pte. Ltd. is a 100%-owned subsidiary of Heeton Holdings Limited.

(4) RMTL Investment Pte. Ltd. is 75% owned by Ryobi Development Pte. Ltd., a wholly-owned subsidiary of Ryobi Kiso Holdings Ltd, and the balance 25% shares in RMTL Investment Pte. Ltd. is held by three individuals.

(5) KSH Land Development Pte. Ltd is an indirect 100% owned subsidiary of KSH Holdings Limited.

(B) PURCHASE OF PROPERTY

Ace Zone has on 10 March 2015 completed the purchase of the property at 28-36 Glenthorne Road, London, United Kingdom (the "**Property**") at Pounds Sterling 14.85 million (approximately S$31.00 million).

The Property has freehold title and is located within 2 minutes' walk from Hammersmith Underground Station in London. It has a gross internal area of approximately 25,700 square feet and currently has 42 hotel units.

Ace Zone is proposing to redevelop the Property into a service apartment consisting of approximately 85 rooms.

The above investment in Glenthorne and the purchase of the Property will be funded through internal resources and external borrowings and is not expected to have any material impact on the

net tangible assets and earnings per share of the Company and 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 transaction, save for their shareholdings in the Company and/or the joint venture partners or holding companies which are listed.

By Order of the Board

Ong Pang Aik
Chairman and Managing Director
8 April 2015