**LIAN BENG GROUP LTD**
Registration No. 199802527Z

**ACQUISITION OF 67% OF THE ISSUED AND PAID-UP SHARE CAPITAL OF 186 WICKHAM STREET (RESIDENTIAL) PTY LTD BY ASSOCIATED COMPANY**

## 1. INTRODUCTION

The Board of Directors (the **"Board"**) of Lian Beng Group Ltd (the **"Company"** and together with its subsidiaries, the **"Group"**) wishes to announce that its 30%-owned associated company, Wickham 186 Pty Ltd, (the **"Buyer"**), has acquired 67% of the issued and paid-up share capital of 186 Wickham Street (Residential) Pty Ltd (**"186 Wickham")** from Marvel Investments Pty Ltd (the "**Seller**") (the **"Acquisition")**.

Following the Acquisition, the Buyer holds 100% of the issued and paid-up capital of 186 Wickham and 186 Wickham has become a 30%-owned associated company of the Company. The Buyer is effectively held by Heeton Holdings Limited, the Company and KSH Holdings Limited ("**KSH**") in the proportion of 55%, 30% and 15% respectively.

## 2. INFORMATION ON 186 WICKHAM

186 Wickham, a company incorporated in Australia, is a property development and property investment holding company. It is the legal and beneficial owner of Lot 1 on RP69275, a freehold land located at 186 Wickham Street, Fortitude Valley QLD 4006 in Brisbane, Australia ("**Property**"). It has an issued and paid up share capital of A$3,300,100 (approximately S$3,135,000) comprising 1,000 ordinary shares.

## 3. AGGREGATE CONSIDERATION

The consideration for the Acquisition is A$5,500,000 (approximately S$5,225,000) (the **"Consideration"**). This includes the discharge of the shareholders loan by the seller to 186 Wickham of approximately A$2,202,000. The net purchase price for the Acquisition is A$3,298,000. The Consideration was settled in cash on completion.

The Consideration was arrived at a willing-buyer and willing-seller basis by reference to the net tangible assets of 186 Wickham of approximately A$3,047,000 as at completion. The Group funded its share of the Consideration by internal funds and/or external borrowings.

## 4. FURTHER INFORMATION

The Acquisition is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the current financial year ending 31 May 2020.

The Group refers to the announcement dated 4 April 2019 ("**SLB Announcement**") made by its subsidiary, SLB Development Ltd. ("**SLB**" and together with its subsidiaries, the "**SLB Group**"). It was mentioned in the SLB Announcement that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") has granted an extension of time till 19 April 2020, for the New Lian Beng Group (comprising of the Group excluding the SLB Group) to comply with certain undertakings pursuant to SLB's listing on the Catalist. One of the undertakings to be

complied with involves the sale of the Property or in the alternative, the sale of the Company's effective interest in 186 Wickham ("**Undertaking**").

Despite the Acquisition, the Group will still try to comply with the Undertaking.

Interest of Directors and Controlling Shareholders

Mr Ong Pang Aik, Chairman and Managing Director of the Company, has a shareholding interest not exceeding 1% in KSH. Ms Ong Lay Koon, Executive Director of the Company, has a shareholding interest not exceeding 1% in KSH. Mr Low Beng Tin, an independent director and shareholder of the Company, has a shareholding interest not exceeding 1% in KSH. Mr Ko Chuan Aun, an independent director and shareholder of the Company, is also an independent director of KSH.

Save as disclosed, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition, save for their shareholding (if any) in the Company.

BY ORDER OF THE BOARD

Ong Pang Aik
Chairman and Managing Director
31 July 2019