



LIAN BENG GROUP LTD

Registration No. 199802527Z

**UNAUDITED THIRD QUARTER AND NINE MONTHS FINANCIAL STATEMENTS AND
DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 28 FEBRUARY
2019**

These figures have not been audited.

Following the adoption of the new Singapore Financial Reporting Standards International ("SFRS(I)") on 1 June 2018, in particular SFRS(I) 15, Lian Beng Group Ltd. (the "Company") and together with its subsidiaries, (the "Group") has restated its comparative financial figures. Please refer to Section 5 of this announcement for more details on the new standards.

PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Third quarter ended			Nine months ended		
	28 Feb 19	28 Feb 18	Increase / (decrease)	28 Feb 19	28 Feb 18	Increase / (decrease)
	S\$'000	S\$'000 (Restated)	%	S\$'000	S\$'000 (Restated)	%
Revenue	90,977	90,646	0.4	253,897	256,591	(1.0)
Cost of sales	(70,093)	(65,827)	6.5	(192,226)	(198,568)	(3.2)
Gross profit	20,884	24,819	(15.9)	61,671	58,023	6.3
Other operating income	2,117	3,747	(43.5)	6,660	17,102	(61.1)
Distribution expenses	(791)	(1,065)	(25.7)	(3,302)	(4,558)	(27.6)
Administrative expenses	(7,194)	(7,604)	(5.4)	(20,762)	(18,330)	13.3
Other operating expenses	(1,736)	(2,793)	(37.8)	(6,565)	(6,796)	(3.4)
Finance costs	(4,721)	(5,858)	(19.4)	(12,731)	(12,780)	(0.4)
Share of results of associates and joint ventures	(3,078)	2,494	NM	2,045	10,534	(80.6)
Profit before taxation	5,481	13,740	(60.1)	27,016	43,195	(37.5)
Taxation	(573)	(2,472)	(76.8)	(4,415)	(7,714)	(42.8)
Profit for the period, net of taxation	4,908	11,268	(56.4)	22,601	35,481	(36.3)
Other comprehensive income:						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Net gain/(loss) on fair value changes of financial assets through other comprehensive income	2,985	-	NM	(3,010)	-	NM
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Net (loss)/gain on fair value changes of available-for-sale financial assets	-	(2,905)	NM	-	985	NM
Foreign currency translation (loss)/gain	(435)	906	NM	(1,350)	130	NM
Other comprehensive income for the period, net of taxation	2,550	(1,999)	NM	(4,360)	1,115	NM
Total comprehensive income for the period	7,458	9,269	(19.5)	18,241	36,596	(50.2)
Profit attributable to:						
Owners of the Company	3,625	8,114	(55.3)	18,322	25,883	(29.2)
Non-controlling interests	1,283	3,154	(59.3)	4,279	9,598	(55.4)
	4,908	11,268	(56.4)	22,601	35,481	(36.3)
Total comprehensive income attributable to:						
Owners of the Company	6,138	6,085	0.9	14,090	26,994	(47.8)
Non-controlling interests	1,320	3,184	(58.5)	4,151	9,602	(56.8)
	7,458	9,269	(19.5)	18,241	36,596	(50.2)

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

	Group					
	Third quarter ended			Nine months ended		
	28 Feb 19	28 Feb 18	Increase / (decrease)	28 Feb 19	28 Feb 18	Increase / (decrease)
S\$'000	S\$'000 (Restated)	%	S\$'000	S\$'000 (Restated)	%	
Other income including interest income	1,634	2,774	(41.1)	4,880	6,452	(24.4)
Gain on disposal of property, plant and equipment	64	221	(71.0)	904	464	94.8
Depreciation of property, plant and equipment	(3,856)	(3,551)	8.6	(11,939)	(10,704)	11.5
(Loss)/gain on foreign exchange, net	(69)	553	NM	(767)	1,469	NM
Dividend income from investment securities	174	409	(57.5)	1,181	1,046	12.9
Gain on disposal of investment property	-	-	-	-	7,772	NM
Fair value gain on derivative instrument	-	-	-	90	-	NM
Fair value gain/(loss) on investment securities	59	48	22.9	(316)	161	NM
Gain/(loss) on disposal of investment securities	25	74	(66.2)	(196)	(97)	102.1
Writeback of allowance for doubtful trade receivables	174	-	NM	174	-	NM
Over/(under) provision of income tax in respect of prior years	1,024	(10)	NM	959	15	NM

NM - not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group			Company	
	28 Feb 19	31 May 18	1 Jun 17	28 Feb 19	31 May 18
	S\$'000	S\$'000 (Restated)	S\$'000 (Restated)	S\$'000	S\$'000
<u>Non-current assets</u>					
Property, plant and equipment	156,681	159,356	63,577	-	-
Investment properties	529,556	529,472	703,860	-	-
Investment in subsidiaries	-	-	-	169,222	167,287
Investment in joint ventures	15,891	19,064	35,757	5,720	5,720
Investment in associates	28,080	49,235	43,437	-	-
Investment securities	131,769	129,097	119,494	15,617	18,083
Amounts due from subsidiaries	-	-	-	33,783	33,783
Amounts due from associates	42,327	44,911	45,000	-	-
Amounts due from third parties	-	-	3,357	-	-
Other assets	-	77	260	-	-
Deferred tax assets	13	117	249	-	-
	904,317	931,329	1,014,991	224,342	224,873
<u>Current assets</u>					
Contract assets	50,969	102,679	43,872	-	-
Capitalised contract costs	1,210	218	1,384	-	-
Development properties	115,063	75,709	126,439	-	-
Investment property held for sale	-	-	26,283	-	-
Inventories	5,365	3,827	4,297	-	-
Trade receivables	85,087	73,367	36,423	-	-
Other receivables and deposits	21,443	34,520	32,384	124	4,016
Prepayments	2,154	1,195	1,923	72	5
Amounts due from affiliated companies	11	-	1	-	-
Amounts due from subsidiaries	-	-	-	181,246	169,927
Amounts due from joint ventures	77,905	68,490	29,740	63,054	50,521
Amounts due from associates	165,260	163,459	100,095	-	-
Investment securities	10,729	17,885	7,515	-	-
Cash and cash equivalents	149,160	209,214	187,804	7,833	35,139
	684,356	750,563	598,160	252,329	259,608
<u>Current liabilities</u>					
Contract liabilities	14,606	6,853	60,352	-	-
Trade payables, other payables and accruals	157,806	182,895	158,705	154	306
Amounts due to associates	858	8,616	1,361	76	76
Amounts due to joint ventures	2,153	4,619	17,817	-	-
Amounts due to subsidiaries	-	-	-	237,291	246,513
Bank loans and bills payable	315,454	330,707	258,174	-	-
Obligations under hire purchase	2,128	3,324	3,780	-	-
Provision for taxation	8,961	22,918	9,100	146	21
	501,966	559,932	509,289	237,667	246,916
Net current assets	182,390	190,631	88,871	14,662	12,692
<u>Non-current liabilities</u>					
Refundable rental deposits	2,869	2,978	2,109	-	-
Amounts due to subsidiaries	-	-	-	2,734	5,892
Bank loans	272,094	309,194	422,325	-	-
Obligations under hire purchase	3,247	2,327	3,224	-	-
Deferred tax liabilities	884	960	1,240	-	-
	279,094	315,459	428,898	2,734	5,892
Net assets	807,613	806,501	674,964	236,270	231,673
<u>Equity attributable to owners of the Company</u>					
Share capital	82,275	82,275	82,275	82,275	82,275
Treasury shares	(17,777)	(17,777)	(17,777)	(17,777)	(17,777)
Other reserves	9,597	14,037	2,217	3,457	5,923
Retained earnings	603,217	596,138	525,795	168,315	161,252
	677,312	674,673	592,510	236,270	231,673
Non-controlling interests	130,301	131,828	82,454	-	-
Total equity	807,613	806,501	674,964	236,270	231,673

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 28 February 2019

Secured S\$'000	Unsecured S\$'000
317,582	-

As at 31 May 2018

Secured S\$'000	Unsecured S\$'000
334,031	-

Amount repayable after one year

As at 28 February 2019

Secured S\$'000	Unsecured S\$'000
275,341	-

As at 31 May 2018

Secured S\$'000	Unsecured S\$'000
311,521	-

Details of any collaterals

As at 28 February 2019, the Group's borrowings of S\$592.9 million (31 May 2018: S\$645.6 million) are secured by the Group's freehold and leasehold properties, development properties, investment properties, barges, tugboats, plant, machinery and motor vehicles and investment securities. The bank facilities of the subsidiary companies are also secured by corporate guarantees from the Company.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	Third quarter ended		Nine months ended	
	28 Feb 19	28 Feb 18	28 Feb 19	28 Feb 18
	S\$'000	S\$'000 Restated	S\$'000	S\$'000 Restated
Cash flows from operating activities				
Profit before taxation	5,481	13,740	27,016	43,195
<u>Adjustments for:</u>				
Depreciation of property, plant and equipment	3,856	3,551	11,939	10,704
Fair value gain on derivative instrument	-	-	(90)	-
Dividend income from investment securities	(174)	(409)	(1,181)	(1,046)
Gain on disposal of investment properties	-	-	-	(7,772)
Gain on disposal of property, plant and equipment	(64)	(221)	(904)	(464)
Gain on dilution of ownership interest in subsidiary	-	-	-	(1)
Fair value (gain)/loss on investment securities	(59)	(48)	316	(161)
(Gain)/loss on disposal of investment securities	(25)	(74)	196	97
Amortisation of other assets	-	45	76	137
Interest income	(2,556)	(5,888)	(7,359)	(7,980)
Interest expense	4,721	5,858	12,731	12,780
Unrealised exchange differences	(737)	1,450	(799)	1,028
Property, plant and equipment written off	-	-	9	-
Bad debts written off	67	4	72	8
Goodwill written off	-	-	9	-
Bad debts recovered	-	(8)	-	(8)
Writeback of allowance for doubtful trade receivables	(174)	-	(174)	-
Share of results of associates and joint ventures	3,078	(2,494)	(2,045)	(10,534)
Operating cash flows before changes in working capital	13,414	15,506	39,812	39,983
<u>Changes in working capital:</u>				
Development properties	1,738	13,421	(38,695)	12,629
Capitalised contract costs	(123)	501	(992)	934
Contract assets	(4,373)	(21,088)	51,710	(52,090)
Contract liabilities	5,962	1,740	7,693	11,371
Inventories	4,230	(196)	(1,538)	(2,018)
Trade receivables	(11,324)	2,256	(11,515)	(23,628)
Other receivables and deposits	(1,340)	608	13,335	5,283
Prepayments	182	220	(888)	709
Trade payables, other payables and accruals	(3,004)	(9,066)	(27,338)	(2,137)
Balances with joint ventures and associates	766	4,781	4,457	7,019
Total changes in working capital	(7,286)	(6,823)	(3,771)	(41,928)
Cash flows from/(used in) operations	6,128	8,683	36,041	(1,945)
Interest paid and capitalised in development properties	66	1,095	(658)	(403)
Income tax paid	(3,706)	(6,275)	(18,193)	(10,862)
Net cash flows from/(used in) operating activities	2,488	3,503	17,190	(13,210)
Cash flows from investing activities				
Interest received	2,115	5,499	6,951	7,189
Dividend income from investment securities	174	409	1,181	1,046
Dividend income from associates	-	-	19,000	1,273
Dividend income from joint ventures	-	3,650	6,500	21,910
Additions to investment securities	(14,968)	(8,799)	(32,613)	(45,970)
Purchase of property, plant and equipment	(4,655)	(1,319)	(7,624)	(2,079)
Additional investments in investment properties	-	-	(85)	(5,211)
Addition to investment property held for sale	-	(9,696)	-	(9,696)
Proceeds from disposal of investment properties	-	-	-	35,191
Repayment of loan by third parties	-	861	-	2,584

	Group			
	Third quarter ended		Nine months ended	
	28 Feb 19	28 Feb 18	28 Feb 19	28 Feb 18
	S\$'000	S\$'000 Restated	S\$'000	S\$'000 Restated
Proceeds from disposal of property, plant and equipment	64	348	1,381	643
(Loans to)/repayment of loans by associates	(3,076)	(21,093)	1,318	(7,481)
Investment in associates	-	(840)	-	(2,440)
Loan to joint ventures	(456)	(97)	(13,364)	(23,758)
Proceeds from disposal of investment securities	11,524	1,868	34,353	19,577
Additional investment in a subsidiary	-	-	(1,336)	-
Net cash outflow on acquisition of a subsidiary	-	-	(27)	-
Proceeds from liquidation of an associate	-	-	636	-
Net cash flows (used in)/from investing activities	(9,278)	(29,209)	16,271	(7,222)
Cash flows from financing activities				
Interest paid	(4,721)	(5,858)	(12,731)	(12,780)
Proceeds from bank loans and bills payable	33,297	28,310	99,440	66,215
Repayment of bank loans and bills payable	(31,194)	-	(152,402)	(45,095)
Repayment of hire purchase creditors	(892)	(993)	(2,095)	(3,174)
Dividend paid on ordinary shares	(4,997)	(4,997)	(11,243)	(11,243)
Dividend paid to non-controlling interest of subsidiaries	(861)	(861)	(4,944)	(2,583)
Loan from the non-controlling interest of subsidiaries	172	190	784	508
Loans from/(repayment of loans to) joint ventures	1,000	-	(2,350)	(13,210)
Loans from/(repayment of loans to) associates	202	-	(7,758)	-
Capital contribution from non-controlling interest of a subsidiary	-	-	280	-
Net cash flows (used in)/from financing activities	(7,994)	15,791	(93,019)	(21,362)
Net decrease in cash and cash equivalents	(14,784)	(9,915)	(59,558)	(41,794)
Cash and cash equivalents at beginning of the period	163,994	155,932	209,214	187,804
Effect of exchange rate changes on cash and cash equivalents	(50)	(130)	(496)	(123)
Cash and cash equivalents at end of the period	149,160	145,887	149,160	145,887
Breakdown of cash and cash equivalents at end of the period				
Fixed deposits	49,955	29,000	49,955	29,000
Cash on hand and at banks	99,205	116,887	99,205	116,887
Total	149,160	145,887	149,160	145,887

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

GROUP – 3Q & 9M FY2019

	Attributable to the owners of the Company				Non-controlling interest	Total equity
	Share capital	Treasury shares	Other reserves*	Retained earnings		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 18	82,275	(17,777)	17,017	564,643	115,387	761,545
Effects of adoption of SFRS(I)15	-	-	(2,980)	31,495	16,441	44,956
Balance as at 1 Jun 18, restated	82,275	(17,777)	14,037	596,138	131,828	806,501
Profit for the period, net of taxation	-	-	-	14,697	2,996	17,693
<u>Other comprehensive income</u>						
Net loss on fair value changes of financial assets through other comprehensive income	-	-	(5,995)	-	-	(5,995)
Foreign currency translation loss	-	-	(750)	-	(165)	(915)
Other comprehensive income for the year, net of taxation	-	-	(6,745)	-	(165)	(6,910)
Total comprehensive income for the period	-	-	(6,745)	14,697	2,831	10,783
<u>Changes in ownership interests of subsidiaries</u>						
Acquisition of additional interest in SLB Development Ltd	-	-	(208)	-	(1,128)	(1,336)
Acquisition of interest in a subsidiary	-	-	-	-	114	114
<u>Contribution by and distribution to owners</u>						
Dividend on ordinary shares	-	-	-	(6,246)	-	(6,246)
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	(4,083)	(4,083)
Capital contribution by non-controlling interest of subsidiary	-	-	-	-	280	280
Balance as at 30 Nov 18	82,275	(17,777)	7,084	604,589	129,842	806,013
Profit for the period, net of taxation	-	-	-	3,625	1,283	4,908
<u>Other comprehensive income</u>						
Net gain on fair value changes of financial assets through other comprehensive income	-	-	2,985	-	-	2,985
Foreign currency translation (loss)/gain	-	-	(472)	-	37	(435)
Other comprehensive income for the period, net of taxation	-	-	2,513	-	37	2,550
Total comprehensive income for the period	-	-	2,513	3,625	1,320	7,458
<u>Contribution by and distribution to owners</u>						
Dividend on ordinary shares	-	-	-	(4,997)	-	(4,997)
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	(861)	(861)
Balance at 28 Feb 19	82,275	(17,777)	9,597	603,217	130,301	807,613

* Other reserves include capital reserve, translation reserve and fair value adjustment reserve.

STATEMENT OF CHANGES IN EQUITY (CONT'D)

GROUP – 3Q & 9M FY2018

	Attributable to the owners of the Company				Non-controlling interest	Total equity
	Share capital	Treasury shares	Other reserves*	Retained earnings		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 17	82,275	(17,777)	2,217	521,504	79,431	667,650
Effects of adoption of SFRS(I)15	-	-	-	4,291	3,023	7,314
Balance as at 1 Jun 17, restated	82,275	(17,777)	2,217	525,795	82,454	674,964
Profit for the period, net of taxation	-	-	-	17,769	6,444	24,213
<u>Other comprehensive income</u>						
Net gain on fair value changes of available-for-sale financial assets	-	-	3,890	-	-	3,890
Foreign currency translation loss	-	-	(750)	-	(26)	(776)
Other comprehensive income for the period, net of taxation	-	-	3,140	-	(26)	3,114
Total comprehensive income for the period	-	-	3,140	17,769	6,418	27,327
<u>Contribution by and distribution to owners</u>						
Dividend on ordinary shares	-	-	-	(6,246)	-	(6,246)
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	(1,722)	(1,722)
Balance as at 30 Nov 17	82,275	(17,777)	5,357	537,318	87,150	694,323
Profit for the period, net of taxation	-	-	-	8,114	3,154	11,268
<u>Other comprehensive income</u>						
Net loss on fair value changes of available-for-sale financial assets	-	-	(2,905)	-	-	(2,905)
Foreign currency translation gain	-	-	876	-	30	906
Other comprehensive income for the period, net of taxation	-	-	(2,029)	-	30	(1,999)
Total comprehensive income for the period	-	-	(2,029)	8,114	3,184	9,269
<u>Contribution by and distribution to owners</u>						
Dividend on ordinary shares	-	-	-	(4,997)	-	(4,997)
Dividend paid to non-controlling interest of subsidiary	-	-	-	-	(861)	(861)
Balance at 28 Feb 18	82,275	(17,777)	3,328	540,435	89,473	697,734

* Other reserves include capital reserve, translation reserve and fair value adjustment reserve.

STATEMENT OF CHANGES IN EQUITY (CONT'D)

COMPANY – 3Q & 9M FY2019

	Share capital	Treasury shares	Fair value adjustment reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 18	82,275	(17,777)	5,923	161,252	231,673
Profit for the period, net of taxation	-	-	-	17,263	17,263
<u>Other comprehensive income</u>					
Net loss on fair value changes of financial assets through other comprehensive income	-	-	(2,565)	-	(2,565)
Other comprehensive income for the period, net of taxation	-	-	(2,565)	-	(2,565)
Total comprehensive income for the period	-	-	(2,565)	17,263	14,698
<u>Contribution by and distribution to owners</u>					
Dividend on ordinary shares	-	-	-	(6,246)	(6,246)
Balance as at 30 Nov 18	82,275	(17,777)	3,358	172,269	240,125
Profit for the period, net of taxation	-	-	-	1,043	1,043
<u>Other comprehensive income</u>					
Net loss on fair value changes of financial assets through other comprehensive income	-	-	99	-	99
Other comprehensive income for the period, net of taxation	-	-	99	-	99
Total comprehensive income for the period	-	-	99	1,043	1,142
<u>Contribution by and distribution to owners</u>					
Dividend on ordinary shares	-	-	-	(4,997)	(4,997)
Balance as at 28 Feb 19	82,275	(17,777)	3,457	168,315	236,270

COMPANY – 3Q & 9M FY2018

	Share capital	Treasury shares	Fair value adjustment reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 Jun 17	82,275	(17,777)	5,700	95,131	165,329
Profit for the period, net of taxation	-	-	-	40,767	40,767
<u>Other comprehensive income</u>					
Net loss on fair value changes of financial assets through other comprehensive income	-	-	2,660	-	2,660
Other comprehensive income for the period, net of taxation	-	-	2,660	-	2,660
Total comprehensive income for the period	-	-	2,660	40,767	43,427
<u>Contribution by and distribution to owners</u>					
Dividend on ordinary shares	-	-	-	(6,246)	(6,246)
Balance at 30 Nov 17	82,275	(17,777)	8,360	129,652	202,510
Profit for the period, net of taxation	-	-	-	4,753	4,753
<u>Other comprehensive income</u>					
Net loss on fair value changes of financial assets through other comprehensive income	-	-	(1,043)	-	(1,043)
Other comprehensive income for the period, net of taxation	-	-	(1,043)	-	(1,043)
Total comprehensive income for the period	-	-	(1,043)	4,753	3,710
<u>Contribution by and distribution to owners</u>					
Dividend on ordinary shares	-	-	-	(4,997)	(4,997)
Balance at 28 Feb 18	82,275	(17,777)	7,317	129,408	201,223

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	Number of shares (excluding treasury shares)	Share capital S\$'000
At 1 December 2018 and 28 February 2019	499,689,200	82,275

Outstanding convertibles

The Company did not have any share convertibles as at 28 February 2019 and 28 February 2018.

Treasury shares and subsidiary holdings

As at 28 February 2019, the Company had 30,070,800 (28 February 2018: 30,070,800) treasury shares.

As at 28 February 2019, the Company had Nil subsidiary holdings (28 February 2018: Nil).

- 1(d)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	28 Feb 19	31 May 18
Total number of issued shares excluding treasury shares	<u>499,689,200</u>	<u>499,689,200</u>

- 1(d)(iv) **A statement showing all sales, transfers, cancellations and/or use of treasury shares as at the end of the current financial period reported on.**

Treasury shares

	2019	2018
Balance at 28 February	<u>30,070,800</u>	<u>30,070,800</u>

- 1(d)(v) **A statement showing all sales, transfers, disposals, cancellations and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Nil

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted in the most recently audited financial statements for the financial year ended 31 May 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The Group has adopted the Singapore Financial Reporting Standards (International) ("SFRS(I)") that are effective for annual periods beginning on or after 1 June 2018. In adopting SFRS(I), the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*. The Group has also concurrently applied SFRS(I) 15 *Revenue from Contracts with Customers* and SFRS(I) 9 *Financial Instruments*.

The Group has applied the changes in accounting policies retrospectively to each reporting period/year presented, using the full retrospective approach. The Group also applied practical expedients for completed contracts where completed projects that begin and end within the same year or are completed contracts at 1 June 2017 are not restated.

There is no material impact on the financial results in adopting SFRS(I) and applying specific transition requirement under SFRS(I) 1 and SFRS(I) 9, except for the effects of the adoption of SFRS(I) 15, which are discussed below.

SFRS(I) 15 *Revenue from Contracts with Customers*

(a) Construction contracts

Before 1 June 2018, the Group recognises construction contract revenue by reference to the stage of completion of the contract activity at the end of each reporting period, when the outcome of a construction contract can be estimated reliably. The output method is used to determine the stage of completion, where the value of work performed is certified by the architects or quantity surveyors to the total contract sum. Upon the adoption of SFRS(I) 15, the Group will continue to recognise contract revenue over time by measuring the progress towards complete satisfaction of performance obligations. Under the new standard, the methods of measuring progress include output methods or input methods. The Group has determined that the cost-based input method reflects the over-time transfer of control to customers.

(b) Sale of development properties - timing of revenue recognition

Prior to 1 June 2018, the Group recognises revenue from industrial development properties based on the Completion of Contracts method upon the transfer of significant risk and rewards of ownership of the goods to the customer, i.e. upon TOP and handing over the property units to the purchasers. With the adoption of SFRS(I) 15, the performance obligation for the sale of industrial development properties are satisfied over time as the Group is restricted contractually from directing the property for another use as they are being developed and has an enforceable right to payment for performance completed to date. Revenue and cost of units sold is now recognised over time using the percentage of completion method.

(c) Commissions paid to property agents on the sale of development properties

The Group pay sales commissions to property agents on the sale of development properties and such commissions are currently recognised as an expense when incurred. With the adoption of SFRS(I) 15, such commissions are capitalised as incremental costs to obtain a contract with a customer and will be expensed to profit or loss in accordance with the percentage of completion.

(d) Borrowing costs relating to development properties

In March 2019, the IFRS Interpretations Committee (“IFRSIC”) issued an update on the decisions reached by the IFRSIC and concluded its views that borrowing costs relating to development properties that are ready for its intended sale (i.e. ready for launch) should not be capitalised and instead, be expensed when incurred. Following the update of the agenda decision by IFRSIC, the Group has ceased capitalisation of the borrowing costs relating to the development properties that are ready for its intended sale.

The financial effects of these retrospective adjustments arising from adopting SFRS(I) 15 on the Group’s financial statements for the nine months ended 28 February 2019 and 28 February 2018 are as follows:

Consolidated Income Statements

	Group					
	Nine months ended					
	28 Feb 19			28 Feb 18		
	Before adoption of SFRS(I)15*	Effects of adoption of SFRS(I)15	Currently Reported	Before adoption of SFRS(I)15*	Effects of adoption of SFRS(I)15	Restated
S\$'000	S\$'000 Increase/ (decrease)	S\$'000	S\$'000	S\$'000 Increase/ (decrease)	S\$'000	
Revenue	447,491	(193,594)	253,897	146,472	110,119	256,591
Cost of sales	(331,156)	138,930	(192,226)	(110,238)	(88,330)	(198,568)
Gross profit	116,335	(54,664)	61,671	36,234	21,789	58,023
Other operating income	6,660	-	6,660	17,102	-	17,102
Distribution expenses	(4,602)	1,300	(3,302)	(3,773)	(785)	(4,558)
Administration expenses	(24,178)	3,416	(20,762)	(17,240)	(1,090)	(18,330)
Other operating expenses	(6,565)	-	(6,565)	(6,796)	-	(6,796)
Finance costs	(12,686)	(45)	(12,731)	(10,781)	(1,999)	(12,780)
Share of results of associates and joint ventures	2,414	(369)	2,045	10,221	313	10,534
Profit before taxation	77,378	(50,362)	27,016	24,967	18,228	43,195
Taxation	(9,140)	4,725	(4,415)	(5,492)	(2,222)	(7,714)
Profit for the period, net of taxation	68,238	(45,637)	22,601	19,475	16,006	35,481
Other comprehensive income:						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Net loss on fair value changes of financial assets through other comprehensive income	(3,010)	-	(3,010)	-	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Net gain on fair value changes of available-for-sale financial assets	-	-	-	985	-	985
Foreign currency translation (loss)/gain	(1,350)	-	(1,350)	130	-	130
Other comprehensive income for the period, net of taxation	(4,360)	-	(4,360)	1,115	-	1,115
Total comprehensive income for the period	63,878	(45,637)	18,241	20,590	16,006	36,596
Profit attributable to:						
Owners of the Company	47,518	(29,196)	18,322	16,873	9,010	25,883
Non-controlling interests	20,720	(16,441)	4,279	2,602	6,996	9,598
	68,238	(45,637)	22,601	19,475	16,006	35,481
Total comprehensive income attributable to:						
Owners of the Company	43,286	(29,196)	14,090	17,984	9,010	26,994
Non-controlling interests	20,592	(16,441)	4,151	2,606	6,996	9,602
	63,878	(45,637)	18,241	20,590	16,006	36,596
Basic earnings per share (cents)	9.51	(5.84)	3.67	3.38	1.80	5.18

*Prepared based on Singapore Financial Reporting Standards before adoption of SFRS(I) 15.

Statement of Financial Position

	Group					
	31 May 18			1 Jun 17		
	Before adoption of SFRS(I) 15*	Effects of adoption of SFRS(I) 15	Restated	Before adoption of SFRS(I) 15*	Effects of adoption of SFRS(I) 15	Restated
S\$'000	S\$'000 Increase/ (Decrease)	S\$'000	S\$'000	S\$'000 Increase/ (Decrease)	S\$'000	
Non-current assets						
Property, plant and equipment	159,356	-	159,356	63,577	-	63,577
Investment properties	529,472	-	529,472	703,860	-	703,860
Investment in joint ventures	18,630	434	19,064	34,540	1,217	35,757
Investment in associates	49,768	(533)	49,235	43,970	(533)	43,437
Amounts due from associates	44,911	-	44,911	45,000	-	45,000
Deferred tax assets	1,256	(1,139)	117	249	-	249
Other assets	77	-	77	260	-	260
Amounts due from third parties	-	-	-	3,357	-	3,357
Investment securities	129,097	-	129,097	119,494	-	119,494
	932,567	(1,238)	931,329	1,014,307	684	1,014,991
Current assets						
Contract assets	8,860	93,819	102,679	4,811	39,061	43,872
Development properties	218,501	(142,792)	75,709	161,431	(34,992)	126,439
Investment property held for sale	-	-	-	26,283	-	26,283
Capitalised contract costs	-	218	218	-	1,384	1,384
Inventories	3,827	-	3,827	4,297	-	4,297
Trade receivables	88,833	(15,466)	73,367	59,093	(22,670)	36,423
Other receivables and deposits	34,520	-	34,520	32,384	-	32,384
Prepayments	1,195	-	1,195	1,923	-	1,923
Amounts due from affiliated companies	-	-	-	1	-	1
Amounts due from joint ventures	69,627	(1,137)	68,490	37,260	(7,520)	29,740
Amount due from associates	163,610	(151)	163,459	100,095	-	100,095
Investment securities	17,885	-	17,885	7,515	-	7,515
Cash and cash equivalents	209,214	-	209,214	187,804	-	187,804
	816,072	(65,509)	750,563	622,897	(24,737)	598,160
Current liabilities						
Contract liabilities	4,295	2,558	6,853	59,704	648	60,352
Trade payables, other payables and accruals	300,697	(117,802)	182,895	191,147	(32,442)	158,705
Amounts due to associates	8,616	-	8,616	1,361	-	1,361
Amounts due to joint ventures	4,619	-	4,619	17,817	-	17,817
Bank loans	330,406	-	330,406	258,174	-	258,174
Bills payable	301	-	301	-	-	-
Obligations under hire purchase	3,324	-	3,324	3,780	-	3,780
Provision for taxation	19,377	3,541	22,918	8,673	427	9,100
	671,635	(111,703)	559,932	540,656	(31,367)	509,289
Net current assets	144,437	46,194	190,631	82,241	6,630	88,871
Non-current liabilities						
Refundable rental deposits	2,978	-	2,978	2,109	-	2,109
Bank loans	309,194	-	309,194	422,325	-	422,325
Obligation under hire purchase	2,327	-	2,327	3,224	-	3,224
Deferred tax liabilities	960	-	960	1,240	-	1,240
	315,459	-	315,459	428,898	-	428,898
Net assets	761,545	44,956	806,501	667,650	7,314	674,964
Equity attributable to owners of the Company						
Share capital	82,275	-	82,275	82,275	-	82,275
Treasury shares	(17,777)	-	(17,777)	(17,777)	-	(17,777)
Other reserves	17,017	(2,980)	14,037	2,217	-	2,217
Retained earnings	564,643	31,495	596,138	521,504	4,291	525,795
	646,158	28,515	674,673	588,219	4,291	592,510
Non-controlling interests	115,387	16,441	131,828	79,431	3,023	82,454
Total equity	761,545	44,956	806,501	667,650	7,314	674,964
Net asset value per share (cents)	129.31	5.71	135.02	117.72	0.86	118.58

*Prepared based on Singapore Financial Reporting Standards before adoption of SFRS(I) 15.

- 6 **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Earnings per share attributable to equity holders of the Company (cents per share)	Third quarter ended		Nine months ended	
	28 Feb 19	28 Feb 18	28 Feb 19	28 Feb 18
(a) On a basic basis	0.73	1.62	3.67	5.18
(b) On a fully diluted basis	0.73	1.62	3.67	5.18

- 7 **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	Group		Company	
	28 Feb 19	31 May 18 (Restated)	28 Feb 19	31 May 18
Net asset value per ordinary shares (cents)	135.55	135.02	47.28	46.36

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

A) Comprehensive Income Statements

3Q2019 vs 3Q2018 (restated)

Revenue

The Group recorded revenue of S\$91.0 million for the three months ended 28 February 2019 ("3Q2019"), a slight increase of 0.4% from S\$90.6 million for the three months ended 28 February 2018 ("3Q2018").

Cost of sales

Cost of sales increased from S\$65.8 million to S\$70.1 million mainly due to increase in construction cost.

Gross profit

Due to the above, gross profit decreased by 15.9%, or S\$3.9 million, to S\$20.9 million in 3Q2019 from S\$24.8 million in 3Q2018.

Operating expenses

Distribution expenses decreased by 25.7% to S\$0.8 million in 3Q2019 from S\$1.1 million in 3Q2018, mainly due to lower sales commission recognised for the industrial property development, T-Space @ Tampines in 3Q2019, offset by the incurrence of showflat expenses for the industrial property development Pei-Fu Industrial Building at 24 New Industrial Road in 3Q2019.

Other operating expenses decreased to S\$1.7 million in 3Q2019 from S\$2.8 million in 3Q2018, mainly due to the absence of S\$0.9 million in one-off IPO expenses incurred by the Group's subsidiary SLB Development Ltd ("SLB") in 3Q2018.

Finance costs decreased by 19.4% to S\$4.7 million in 3Q2019 from S\$5.9 million in 3Q2018, mainly due to full repayment of bank loans financing T-Space @ Tampines in 3Q2019.

In 3Q2019, share of loss of associates and joint ventures was S\$3.1 million, as compared to share of profit of associates and joint ventures of S\$2.5 million in 3Q2018. This was mainly due to losses recorded by associates in the Property Development Segment as a result of adjustments in borrowing costs made to Affinity @ Serangoon and Riverfront Residences in accordance with SFRS(I) 15 as mentioned in Section 5, along with a lower share of profit from joint ventures.

Profit after tax

After taking into account of the above, net profit of the Group in 3Q2019 was S\$4.9 million, a decrease of S\$6.4 million as compared to S\$11.3 million in 3Q2018.

9M2019 vs 9M2018 (restated)

Revenue

The Group recorded revenue of S\$253.9 million for the nine months ended 28 February 2019 ("**9M2019**"), a 1.0%, or \$2.7 million, decrease from S\$256.6 million recorded in the nine months ended 28 February 2018 ("**9M2018**"). This was mainly due to a decrease in revenue contribution from the Property Development Segment, with T-Space @ Tampines substantially completed in June 2018. The decrease was partially offset by an increase in revenue generated from the Construction and Investment Holding Segments.

Cost of sales

Cost of sales decreased by 3.2%, or S\$6.4 million, to S\$192.2 million in 9M2019 from S\$198.6 million in 9M2018, which is in tandem with the decrease in revenue.

Other operating income

Other operating income decreased by 61.1% to S\$6.7 million in 9M2019 from S\$17.1 million in 9M2018, in the absence of a one-time gain on disposal of investment property at 247 & 249 Collins Street, Melbourne, Australia by Lian Beng Ventures (Melbourne) Pty Ltd in 9M2018.

Operating expenses

Distribution expenses decreased by 27.6% to S\$3.3 million in 9M2019 from S\$4.6 million in 9M2018, which took into account marketing and leasing agent's fees incurred for the investment property at 50 Franklin Street, Melbourne, Australia in 9M2018.

Administrative expenses increased by 13.3% to S\$20.7 million in 9M2019 from S\$18.3 million in 9M2018, mainly due to overhead costs arising from the acquisition of a 60%-owned subsidiary in June 2018, as well as professional fees incurred subsequent to the listing of SLB on SGX Catalyst.

Share of profit of associates and joint ventures decreased by 80.6% to S\$2.0 million from S\$10.5 million in 9M2018. This was mainly due to losses recorded by associates in the Property Development Segment as a result of adjustments in borrowing costs made to Affinity @ Serangoon and Riverfront Residences in accordance with SFRS(I) 15 as mentioned in Section 5, as well as a lower share of profit from joint ventures in 9M2019.

Profit after tax

Taking the above into account, net profit of the Group in 9M2019 was S\$22.6 million, compared to S\$35.5 million in 9M2018.

B) Financial Position Statements

Non-current assets

Investment in joint ventures decreased to S\$15.9 million in Feb 2019 from S\$19.1 million in May 2018, on account of dividend income received from the joint ventures of S\$6.5 million, offset by the net share of profits of joint ventures of S\$3.3 million.

Investment in associates decreased from S\$49.2 million in May 2018 to S\$28.1 million in Feb 2019, taking into account dividend income received from associates of S\$19.0 million, share of loss from associates of S\$1.3 million and proceeds of S\$0.6 million received prior to the liquidation of an associate.

Current assets

Contract assets decreased to S\$51.0 million in Feb 2019 from S\$102.7 million in May 2018, mainly due to decrease in contract assets from development properties T-Space @ Tampines. This was partially offset by increases in contract assets from development properties Mactaggart Foodlink and construction projects, Defu Industrial City and Potong Pasir.

Development properties increased to S\$115.1 million in Feb 2019 from S\$75.7 million in May 2018 mainly due to acquisition costs for Pei-Fu Industrial Building, offset by decrease in development properties for T-Space @ Tampines and Mactaggart Foodlink as a result of the sale of development units at these developments.

Other receivables and deposits decreased to S\$21.4 million in Feb 2019 from S\$34.5 million in May 2018 mainly due to the reclassification of deposit paid for the purchase of Pei-Fu Industrial Building to development properties upon legal completion of acquisition in November 2018. This decrease also took into account payment received from other debtors of S\$9.1 million.

Amounts due from joint ventures increased to S\$77.9 million in Feb 2019 from S\$68.5 million in May 2018, mainly due to the loan provided to a joint venture to finance the purchase of the investment property Sembawang Shopping Centre.

Investment securities decreased to S\$10.7 million in Feb 2019 from S\$17.9 million in May 2018, mainly due to redemption and disposal of non-equity investments of S\$13.9 million, offset by reclassification of certain corporate bonds of S\$7.0 million from non-current to current as their maturities are due within one year.

Current and non-current liabilities

Trade payables, other payables and accruals decreased to S\$157.8 million in Feb 2019 from S\$182.9 million in May 2018, mainly due to a decrease in accruals for the completed construction projects payments to subcontractors and suppliers.

Amounts due to associates decreased to S\$0.9 million in Feb 2019 from S\$8.6 million in May 2018, mainly due to repayment of loans S\$7.7 million to associates.

Amounts due to joint ventures decreased to S\$2.2 million in Feb 2019 from S\$4.6 million in May 2018, mainly due to repayment of loans to joint ventures of S\$2.4 million.

Total borrowings decreased to S\$592.9 million in Feb 2019 from S\$645.6 million in May 2018 mainly due to (i) repayment of loans for industrial development project, T-Space @Tampines S\$81.8 million; (ii) repayment of loans upon the redemption and disposal of investment securities S\$18.5 million; (iii) partial repayment of bank loans previously drawn down to finance the acquisition of the retail properties in HDB heartland centrals and working capital S\$10.2 million; offset by drawn down of bank loans to finance the acquisition of Pei-Fu industrial Building S\$57.2 million.

Provision for taxation decreased to S\$9.0 million in Feb 2019 from S\$22.9 million in May 2018, mainly due to the payment of income tax in relation to the gain on disposal of the investment and development properties located at 50 Franklin Street, Melbourne, Australia and 596 St Kilda Road, Melbourne, Australia.

C) Cash Flow Statements

In 9M2019, cash and cash equivalents decreased by S\$60.0 million to S\$149.2 million in Feb 2019, mainly due to net cash used in financing activities of S\$93.0 million, offset by the net cash from operating activities of S\$17.2 million and investing activities of S\$16.3 million respectively.

Net cash from operating activities of S\$17.2 million in Feb 2019 was mainly due to operating cash flow before changes in working capital of S\$39.8 million, offset by net working capital outflow of S\$3.8 million, payment of income tax of S\$18.2 million and interest charges of S\$0.7 million capitalised in development properties.

Net cash from investing activities of S\$16.3 million in Feb 2019 was mainly due to proceeds from the redemption and disposal of investment securities \$34.4 million, dividend income from joint ventures and associates S\$25.5 million; and interest received of S\$7.0 million; offset by the purchase of investment securities of S\$32.6 million, loans to joint ventures of S\$13.4 million, and purchase of property, plant and equipment of S\$7.6 million.

Net cash used in financing activities of S\$93.0 million in Feb 2019 was mainly attributable to net repayment of bank loans S\$55.1 million, dividend paid on ordinary shares S\$11.2 million, repayment of loans to associates and joint ventures S\$10.1 million and payment for interest S\$12.7 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement has previously been disclosed.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to the Building and Construction Authority of Singapore's January report, total construction demand in 2019 should range between S\$27 billion and S\$32 billion, compared to the S\$30.5 billion awarded in 2018. The demand for construction services is expected to be reasonably healthy and backed by a decent pipeline of major public infrastructure and industrial projects. Private sector demand is expected to be supported by the redevelopment of en-bloc sales sites concluded in the second half of 2018, as well as new industrial projects. This bodes well for the Group's construction business as it leverages its track record and expertise to build up its order book.

As at 28 February 2019, the Group's construction order book stood at S\$1.26 billion and is expected to provide a steady flow of activity through FY2022.

The Group continues to adopt a cautious view of the residential property market outlook, as cooling measures implemented by the Singapore government continue to weigh on the market segment, and will continue to monitor the property market closely for opportunities to replenish its land bank. The Group will also continue to keep an eye out for business opportunities in the region that will complement its businesses.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the financial period ended 28 February 2019 as the Group intends to conserve the Group's cash position.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Not applicable as no IPT mandate has been obtained.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it has procured the undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Ong Pang Aik
Chairman and Managing Director

12 April 2019

CONFIRMATION PURSUANT TO RULE 705(5) OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

For the announcement of unaudited financial statements for the third quarter ended 28 February 2019

We, Ong Pang Aik and Ong Lay Koon, being Directors of Lian Beng Group Ltd (the "Company"), do hereby confirm, for and on behalf of the Board of Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited third quarter financial results for the period ended 28 February 2019 to be false or misleading in any material aspect.

For and on behalf of the Board of Directors

Ong Pang Aik
Chairman and Managing Director

Ong Lay Koon
Executive Director

12 April 2019