



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

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## **PROPOSED DISPOSAL OF 186 WICKHAM STREET AND 29 RANWELL LANE BY ASSOCIATED COMPANIES**

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### **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 186 Wickham Street (Residential) Pty Ltd and Fortitude Valley (Hotels) Pty Ltd (collectively, the “**Vendor**”), associated companies of the Group, have entered into a Put and Call Option Deed and Deed of Variation of Put and Call Option Deed (the “**Agreement**”) with W & R Property Pty Ltd (the “**Purchaser**”) for the disposal (“**Disposal**”) of (i) Lot 1 on RP69275, a freehold land located at 186 Wickham Street, Fortitude Valley QLD 4006 in Brisbane, Australia and (ii) Lot 7 on RP 9541, a freehold land located at 29 Ranwell Lane, Fortitude Valley QLD 4006 in Brisbane, Australia (collectively, the “**Property**”).

186 Wickham Street (Residential) Pty Ltd is a subsidiary of Wickham 186 Pty Ltd, which is in turn owned by Wickham Invesco Pte Ltd, a 30%-owned associated company of the Group. Fortitude Valley (Hotels) Pty Ltd is a subsidiary of Prospere Holdings Pte, Ltd., which is a 30%-owned associated company of the Group. In accordance with the Agreement, completion of the sale and purchase of the Property is expected to take place during the 1<sup>st</sup> calendar quarter of 2022 (“**Completion**”).

### **2. INFORMATION ON THE PROPERTY**

The Property was acquired by the Vendor in 2014 as part of a mixed-use development scheme comprising residential and hotel units. 186 Wickham Street is effectively held by Heeton Holdings Limited (“**Heeton**”), the Group and KSH Holdings Limited (“**KSH**”) in the proportion of 55%, 30% and 15% respectively, while 29 Ranwell Lane is effectively held by Heeton and the Group in the proportion of 70% and 30% respectively.

The book value of the Property as on 30 June 2021 is AUD13.27 million. No independent valuation of the Property was performed in respect of this transaction.

### **3. INFORMATION ON THE PURCHASER**

The Purchaser is an Australian entity, which is not related to any member or associate of the Group nor any of the directors or controlling shareholders of the Company.

### **4. RATIONALE FOR THE DISPOSAL**

The viability of the project in relation to the Property has been undermined by the increasing complexities of real estate development in Australia, and in the ordinary course of trading activities. The decision to explore a strategic exit was approved by the stakeholders. In addition, the Company had undertaken to dispose of its interest in the Property by 19 April 2022 to mitigate potential conflicts of interest pursuant to the voluntary disposal undertaking given to

SLB Development Ltd. upon its listing on the Catalist (further details of which can be found in the Company's announcement dated 22 May 2020).

## **5. CONSIDERATION**

The total consideration amount of AUD18.20 million (the "**Consideration**") for the Property was arrived on a willing-buyer, willing-seller basis after arm's length negotiations between the Vendor and the Purchaser, and after taking into account the book value of the Property and current market conditions.

A deposit of AUD300,000 has been received and is held in escrow. The balance of the Consideration shall be paid on Completion.

## **6. RELATIVE FIGURES UNDER RULE 1006 OF THE LISTING MANUAL**

As the relative figures computed on the applicable bases under Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**") do not exceed 5%, the Disposal is a non-discloseable transaction under Rule 1008 of the Listing Manual.

## **7. FINANCIAL EFFECTS**

The Disposal is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the current financial year ending 31 May 2022.

## **8. INTERESTS 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 Disposal, save for their shareholding (if any) in the Company.

## **9. DOCUMENTS FOR INSPECTION**

A copy of the Agreement is available for inspection at the registered office of the Company at 29 Harrison Road, Lian Beng Building, Singapore 369648 during normal business hours for a period of three (3) months from the date of this announcement.

## **BY ORDER OF THE BOARD**

Ong Pang Aik BBM (L)  
Chairman and Managing Director  
7 October 2021