



LIAN BENG GROUP LTD
Registration No. 199802527Z

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL

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 acquisitions or sale of shares that occurred during the six-month financial period from 1 December 2020 to 31 May 2021 pursuant to Rule 706A of the Listing Manual of Singapore Exchange Securities Trading Limited:

LIAN BENG GROUP LTD

ACQUISITIONS

1. Increase in Share Capital of Lian Beng Leasing Pte. Ltd.

The Board wishes to announce that Lian Beng Leasing Pte. Ltd., (“LBL”), a wholly-owned subsidiary of the Company, has increased its issued and paid up share capital from S\$100 to S\$1 million by the capitalisation of the loan amount of S\$999,900 owing by LBL to Lian Beng Engineering & Machinery Pte Ltd (“LBEM”), a wholly-owned subsidiary of the Company, into 999,900 ordinary shares, credited as fully paid-up in the share capital of LBL (the “Additional Investment”) on 4 March 2021.

The Additional Investment is not expected to have any material impact on the earnings and net tangible assets per share of the Group for the financial year ended 31 May 2021.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction, save for their shareholdings (if any) in the Company.

2. Increase in Share Capital of Lian Beng (Tai Seng) Pte. Ltd.

The Board wishes to announce that Lian Beng (Tai Seng) Pte. Ltd. (“LBTS”), a subsidiary of the Company, has increased its share capital from 100 ordinary shares of S\$1 each to 200 ordinary shares of S\$1 each by the issue of 100 new ordinary shares of S\$1 each (the “Newly Issued Shares”) on 12 January 2021.

Wealth Gold Pte. Ltd. (“WG”), a wholly-owned subsidiary of the Company, has subscribed for 50 ordinary shares of the Newly Issued Shares, satisfied by cash payment of S\$50.

Following the aforesaid subscription, LBTS remains as a 75%-owned subsidiary of the Company.

The aforesaid subscription by WG was funded by internal resources of the Group and is not expected to have any material impact on the earnings and net tangible assets per share of the Group for the financial year ended 31 May 2021.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the aforesaid subscription, save for their shareholdings (if any) in the Company.

3. Acquisition of Shares in Lian Beng (Tai Seng) Pte. Ltd.

The Board wishes to announce that Wealth Gold Pte. Ltd., a wholly-owned subsidiary of the Company, has acquired 10 ordinary shares (“Sale Shares”), representing 5% shareholding interest of Lian Beng (Tai Seng) Pte. Ltd. (“LBTS”) from Apricot-32RE (Tai Seng) Pte. Ltd., for an aggregate purchase consideration (“Purchase Consideration”) of S\$10 (“Acquisition”) on 16 April 2021.

The Purchase Consideration is based on the net asset value of the Sale Shares as at the date of the Acquisition.

Upon the completion of the Acquisition, LBTS has become an 80%-owned subsidiary of the Company.

The Acquisition is not, in itself, expected to have any material impact on the earnings and net tangible assets per share of the Group for the financial year ended 31 May 2021.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect in the Acquisition, save for their shareholdings (if any) in the Company.

SLB DEVELOPMENT LTD. (“SLB”) (As Announced by SLB on 29 July 2021)

- (i) On 20 May 2021, the Group has subscribed for 100 new ordinary shares of S\$1.00 each in the issued and paid-up capital of Ultra Infinity Pte Ltd (“UIPL”) (representing an aggregate of 33.33% of the resultant total issued share capital of UIPL). The principal activities of UIPL are (i) property development and (ii) holding of assets for investment. The acquisition of equity interests of 33.33% in UIPL is not expected to have any material impact on the earnings and net tangible assets per share of the Group for the financial year ended 31 May 2021.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

- (ii) On 26 July 2021, the Group has entered into a Sale and Purchase Agreement with 32 Holdings Pte Ltd and Wee TC Investments Pte Ltd (collectively the “Purchasers”) for the sale of 1,000,000 ordinary shares (“Sale Shares”) held by the Group in 32 Real Estate Pte Ltd (“32RE”, and together with its subsidiaries (“32RE Group”)), representing the Group’s 33.33% equity interest in 32RE. The consideration for the Sale Shares amounting to S\$563,663 is based on the adjusted net assets value of 32RE as at 30 April 2021. The net assets value of 32RE Group as at 30 April 2021 is approximately S\$510,994. The disposal is not expected to have a material impact to the Group’s financial statements for the financial year ending 31 May 2022.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Ong Pang Aik BBM (L)
Chairman and Managing Director
29 July 2021