



**LIAN BENG GROUP LTD**

Registration No. 199802527Z

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**ESTABLISHMENT OF A NEW SUBSIDIARY AND PROPOSED INTERNAL RESTRUCTURING**

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The Board of Directors of Lian Beng Group Ltd (the "Company", and together with its subsidiaries, the "Group") is pleased to announce that the Company has established a new subsidiary in the Cayman Islands, named Sin Lian Holding Ltd ("SLH"). SLH is established in connection with the proposed listing of the Group's engineering and concrete business on the Stock Exchange in Taiwan.

SLH has an initial issued and paid up capital of NT\$10,000.00 divided into 1,000 ordinary shares and its principal activity is investment holding.

Following the incorporation of SLH, the Group proposes to effect an internal restructuring of the shareholding structure of Lian Beng Engineering & Machinery Pte Ltd and Sinmix Pte Ltd (the "Relevant Subsidiaries") so as to consolidate all its interests in the Relevant Subsidiaries under SLH (the "Proposed Internal Restructuring").

The incorporation of SLH and Proposed Internal Restructuring is not expected to have any material impact on the net tangible assets per share and earning per share of the Group for the current financial year ending 31 May 2012.

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

By Order of the Board

Ong Pang Aik  
Chairman and Managing Director  
12 March 2012