

UPDATE ON PROPOSED ACQUISITION OF PROPERTY BY A SUBSIDIARY

Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the announcement dated 31 October 2011 and 2 November 2011(the "Announcements").

Further to the Announcements, the Board of Directors of Lian Beng Group Ltd wishes to announce that the Proposed Acquisition was not approved by JTC as the proposed usage for the Property is not compatible with the intended usage stipulated by the relevant authority. Hence, the agreement dated 28 October 2011 entered into between LBEM and Prefab is now aborted and of no further effect.

BY ORDER OF THE BOARD

Ong Pang Aik Chairman and Managing Director 9 December 2011