



LIAN BENG GROUP LTD
Registration No. 199802527Z

INCORPORATION OF A JOINT VENTURE COMPANY

The Board of Directors of Lian Beng Group Ltd ("the Company", and together with its subsidiaries, the "Group") is pleased to announce that Lian Beng Construction (1988) Pte Ltd, a wholly-owned subsidiary of the Company has incorporated a joint venture company in Singapore, named Paul Y. – Lian Beng JV Pte. Ltd. ("PYLB").

PYLB has an initial issued and paid up capital of S\$300,000 divided into 300,000 ordinary shares and will be principally engaged in building construction. The Group holds 50% equity interest in PYLB while the remaining 50% equity interest is held by Paul Y. Construction & Engineering Pte. Limited ("PYCE"), an unrelated third party.

PYCE is an indirect wholly-owned subsidiary of Paul Y. Engineering Group Limited ("PYE"). PYE is a company incorporated in Bermuda with limited liability whose shares are listed on the main board of the Hong Kong Stock Exchange. PYE is an international engineering services group serving Hong Kong, the PRC, Macau and the international market with its 60 years of expertise. It has three core areas of business: management contracting, property development management and property investment. PYE services a wide spectrum of distinguished clients, including the government and major enterprises. For over 60 years, PYE has played a significant role in shaping Hong Kong's skyline and its world-class infrastructure.

The incorporation of PYLB was funded internally and is not expected to have any material impact on the net tangible assets per share and earnings per share of the Group for the current financial year ending 31 May 2013.

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
19 July 2012