



LIAN BENG GROUP LTD
Registration No. 199802527Z

CAPITALISATION OF RETAINED EARNINGS BY SUBSIDIARY

The Board of Directors of Lian Beng Group Ltd ("the Company", and together with its subsidiaries, the "Group") is pleased to announce that its subsidiary, Sinmix Pte. Ltd. ("Sinmix") has increased its issued and paid-up capital from S\$1,500,000 to S\$6,416,800 through the capitalisation of its retained earnings (the "Capitalisation").

The Capitalisation will increase the capital base of Sinmix. Following the Capitalisation, the Company now holds 5,775,120 ordinary shares in the capital of Sinmix.

The above transaction is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Group for the current financial year.

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

BY ORDER OF THE BOARD
Ong Pang Aik
Chairman and Managing Director
21 March 2012