



**Hong Lai Huat GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
Reg. No. 199905292D

**FOR IMMEDIATE RELEASE**

**Hong Lai Huat Group kicks off 1Q2018 with net profit of S\$4.1 million as revenue soars threefold**

- Revenue jumps 206% to S\$16.8 million, largely from the successful sale of D'Seaview units
- D'Seaview, the Group's maiden property project in Cambodia with more than 80% of commercial units and 60% of residential units sold

**Financial Highlights for three months ended 31 March 2018**

<b>S\$'000</b>	<b>1Q2018</b>	<b>1Q2017</b>	<b>+ / (-) %</b>
Revenue	16,777	5,485	206
Gross Profit	8,978	2,875	212
Profit before tax	4,267	4,090	4
Profit Attributable to Owners of the Parent	4,152	4,152	-

**SINGAPORE – 9 May 2018** - SGX-Mainboard listed **Hong Lai Huat Group Limited** (“**HLH Group**” or the “**Group**”), a fast-growing, diversified real estate company focused on property development and agriculture investment in Singapore and Cambodia, kicked off the new financial year with net attributable profit of S\$4.1 million for the three months ended 31 March 2018 (“**1Q2018**”).

Revenue rose threefold to S\$16.8 million for the period under review, up from S\$5.5 million a year ago (“**1Q2017**”) on the back of stronger property sales at the Group's signature D'Seaview project development in Sihanoukville, Cambodia. The property segment contributed the bulk, or 93%, of the Group's revenue in 1Q2018.

D'Seaview is HLH Group's maiden freehold mixed-use development venture in Cambodia, comprising 737 residential units and 67 commercial units. The four blocks of commercial spaces include a mix of commercial shop houses, retail units, office buildings and a boutique hotel. As at 31 March 2018, more than 80% of the project's commercial units and 60% of the residential units have been sold.

Development of the commercial segment is expected to be completed by June 2018 while the residential component is expected to be completed by June 2019. In addition, the Group also holds the land rights to an adjacent freehold land plot of approximately 22,064 square metres.



**Hong Lai Huat GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
Reg. No. 199905292D

Despite the strong revenue growth, the Group's bottom line was impacted by a twofold increase in administrative expenses that was mainly due to higher commission paid of S\$300,000, depreciation amounting to S\$850,000, as well as a one-off lump sum tax payment of S\$428,000. The Group also incurred other expenses of S\$1.2 million, which was largely attributed to an unrealised exchange loss of \$1.0 million.

Meanwhile, HLH Group continues to strengthen its balance sheet with cash and cash equivalents of S\$3.7 million as at 31 March 2018, up from \$3.6 million as at 31 March 2017. The Group's gearing as at 31 March 2018 stood at 3.1%, down from 3.2% as at 31 December 2017, demonstrating the Group's commitment to optimise its capital structure.

Moving forward, the Group will continue to explore meaningful collaboration opportunities to optimise its cassava and starch production techniques and capabilities, as well as pursue divestments of its agricultural assets in Cambodia, which is in line with the Group's rationalisation strategy.

HLH Group's Executive Deputy Chairman and CEO Dato' Dr Johnny Ong said, *"We are pleased with the Group's strong performance in 1Q2018. D'Seaview has performed admirably, drawing a lot of interest from both local and foreign buyers. This validates our strategy of delivering quality developments at reasonable prices, and is indicative of the overall strength and potential of the Cambodian property segment, which we continue to be very positive on."*

*"We are grateful for the strong support from our customers and shareholders. We will continue to explore opportunities in Singapore and the region to grow our income base and deliver the best returns for our shareholders,"* said Dato' Dr Ong.

**END**



**Hong Lai Huat GROUP LIMITED**  
(Incorporated in the Republic of Singapore)  
Reg. No. 199905292D

**About Hong Lai Huat Group Ltd**

Listed on the Mainboard of the Singapore Exchange, HLH Group Limited is a fast-growing, diversified real estate company focused on property development and agriculture development in Cambodia and Singapore. With 30 years of successful track record, the Group has completed numerous residential, commercial and industrial projects across Singapore. Some of its notable property development projects include D'Ecosia, D'Fresco, D'Castilia, D'Almira, D'Lithium, D'KranjiFarm Resort and D'Centennial. The D'Seaview mixed-use development project in Sihanoukville, Cambodia is the Group's first property development in Cambodia.

For more information, please contact:

August Consulting

Tel: +65 6733 8873

Janice Ong, [janiceong@august.com.sg](mailto:janiceong@august.com.sg)

Zavier Ong, [zavierong@august.com.sg](mailto:zavierong@august.com.sg)

---