



HLH Group Limited

Reg. No. 199905292D

逢來發
集團有限公司



HLH GROUP ANNOUNCES RISE IN PROFIT FOR 1H2016 PERFORMANCE.

- The Group's Property Division recently awarded 'D'Seaview' construction project to Yanjian Group (Cambodia) Co., Ltd
- The Group's Agriculture Division 1st Starch Factory successfully reach production output of 120 tons daily, estimate 40,000 tons of starch per year.

Singapore- 1st August 2016

SGX Mainboard Listed HLH Group (HLH) reported Q2 2016 profit of SGD\$3.5 million, resulting in the profit for 1H2016 performance of SGD\$1.1 million as compared to a loss of SGD\$0.1 million in the previous comparative of 1H2015.

The Group had also recently announce the awarding of D'Seaview construction project to Yanjian Group (Cambodia) Co Ltd for US\$36.7m. Yanjian Group (Cambodia) Co Ltd is a subsidiary of Yanjian Group Co. Ltd – a global engineering and construction company listed in the Engineering News-Record Magazine as among the Top 250 Global Contractors. HLH will issue a 30% advance payment to Yanjian Group (Cambodia) Co., Ltd for the construction project.

D'Seaview was unveiled back in October 2015 under the Group's property brand 'CAMHOMES'. It comprises 737 residential units and 14,000 sq. m of commercial retail spaces. These commercial spaces include a 10 story boutique hotel capable of fitting 98 rooms.



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As per the awarded construction contract to Yanjian Group (Cambodia) Co Ltd, the commercial retail spaces are scheduled to be completed in Q4 2017, while the 737 residential units for D'Seaview are expected to be completed in 2018.

The parent company, Yanjian Group Co. Ltd is to provide a 40% performance guarantee on the construction amount to ensure quality and successful completion of the D'Seaview construction project.

Dato Dr Johnny Ong, CEO and Executive Deputy Chairman of HLH Group, says "Sihanoukville's tourism growth has been on a rapid rise in recent years for which tourists arrive for its famous and popular seaside hotels, white sandy beaches and many private villas located at the beautiful islands in Sihanoukville. There are also many international light industrial parks and special economic zones being set up in the province, well supported by its own Deep-Water Seaport as well as Sihanoukville International Airport. It is also the third largest province in Cambodia."



Meanwhile, the Group's 1st Starch Factory that is operated by its Agriculture Division 'CAMFARM', has successfully reach the daily production output of 120 tons of cassava (tapioca) starch with an annual production output estimate to have about 40,000 tons in which most of it will be exported. Current market value of cassava (tapioca) starch is around USD\$400 to USD\$450/MT FOB Sihanoukville Port. CAMFARM currently operates one of the largest privately owned Agriculture Park in Cambodia measuring up to approximately 11,000 hectares that comprises the cultivation area for cassava (tapioca), as well as a starch production factory, it also have a designated area suitable for husbandry or aquaculture farming.

Shareholders are to be advised that the D'Seaview project are not expected to have any material impact on the financial performance of the Group for the financial year ending 31 December 2016.