
PRESS RELEASE – FOR IMMEDIATE RELEASE

Swee Hong posts third consecutive quarter of profitable results with Q3FY2017 net earnings at S\$2.7 million. 9M-FY2017 net earnings of S\$30.1 million.

- **9M-FY2017 revenue up 76% to S\$42.6 million mainly due to robust progress of on-going projects.**
- **9M-FY2017 gross profit increased to S\$6.0 million mainly due to substantial increase in revenue and reduction in costs.**
- **Net Tangible Assets turned positive and were S\$7.9 million as compared to Net Tangible Liabilities of S\$45.0 million as at 30 June 2016**
- **Group’s unfulfilled order book of S\$80.9 million provides a steady stream of revenue. The Management and Board are working aggressively to secure new projects to strengthen the order book.**

Singapore; 15 May 2017 - Swee Hong Ltd (QF6.SI) (“SWEE HONG” or the “Company”) announced its financial results for the third quarter and Nine Months ended 31 March 2017 which have been extracted from the “unaudited condensed consolidated financial information for the nine months ended 31 March 2017”, which has been reviewed by the Company’s auditors, Nexia TS Public Accounting Corporation .

Consolidated Financial Highlights:

- Revenue during 9M-FY2017 increased to S\$42.6 million compared with S\$24.2 million in 9M-FY2016
- Gross Profit for 9M-FY2017 was S\$6.0 million compared with S\$1.0 million in H1FY2016
- Net profit during 9M-FY2017 was S\$30.1 million compared to a loss of S\$12.3 million in 9M-FY2016.
- Net profit for 9M-FY2017, excluding gains from debt restructuring and gain on disposal of property, was S\$4.5 million.

The Company continued to enjoy significant increase in revenue in each of its business segments. The Company is engaged in Civil Engineering and Micro-Tunnelling works primarily in Singapore.

During 9M-FY2017, revenue from the Civil Engineering segment increased by S\$14.1 million to S\$35.9 million in 9M-FY2017 mainly due to increase in the

progress of the on-going projects, particularly the ER382 project – construction of new road between MacRitchie Viaduct and Adam Flyover.

Revenue from Tunnelling segment increased by S\$4.3million from S\$2.3 million in 9M-FY2016 to S\$6.7 million in 9M-FY2017 mainly due to increase in the progress of the Nee Soon tunnelling project.

The Group's gross profit increased by S\$5.1 million from S\$0.9 million in 9M-FY2016 to S\$6.0 million in 9M-FY2017 mainly due to corresponding increase in revenue and decreased costs.

The Company has an order book position which stands at S\$80.9 million as at 31 March 2017.

Continuing Progress

The Company under the guidance of the new management team is continuing to steer the business forward. Having achieved a profit of S\$30.1 million in the first nine months of the financial year ending 30 June 2017, Net Tangible Assets as at 31 March 2017 was S\$7.9 million, an improvement from the S\$5.2 million as at 31 December 2016 and a turnaround from the Net Tangible Liabilities of S\$45.0 million as at 30 June 2016.

The Company is continuing to work with the Scheme Manager to fulfil its obligations in accordance with the terms of the Scheme and to bring the Scheme to an end at the earliest.

The Company's Executive Director, Mr Anil Agrawal said, "The Company's management and Board are focused on bringing the Scheme to a speedy close. While we are pleased with the continuing progress made during the current financial year, the management and Board are working aggressively to secure new projects to strengthen the order book."

For Further Information

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About Swee Hong

Founded in 1962, Swee Hong has more than 43 years of experience in the civil engineering industry.

Swee Hong provides a wide range of civil engineering works such as road and drain construction, road maintenance, sewerage rehabilitation, soil improvement, excavation, laying of water pipes and other infrastructural works. Since 2007, Swee Hong has been awarded with several award-winning iconic projects such as the Gardens by the Bay. Over the years, the Group has completed other notable civil engineering projects such as the Changi Ferry Terminal project, Alexandra Canal project, Tuas View Extension project and Seletar Aero Drive project.