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Huatong Global's net attributable profit up 84.6% to S\$5.1 million in HY2017

- *Revenue rises 10.7% to S\$67.8 million from improved performance of its sale of construction materials and civil engineering services segments*

Summary of financial results for the half year ended 30 June:

S\$'000	HY2017	HY2016	+/(-)%
Revenue	67,801	61,228	10.7
Gross profit	15,268	10,945	39.5
Gross profit margin (%)	22.5	17.9	4.6 % pts
Profit before tax	5,740	3,224	78.0
Profit attributable to owners of the parent	5,149	2,790	84.6

SINGAPORE, 8 August 2017 – Huatong Global Limited (“Huatong Global” or the “Company”, and together with its subsidiaries, the “Group”), a full-service integrated civil engineering solutions provider, today reported a strong half year performance. The Group achieved an 84.6% rise in attributable profit to S\$5.1 million on S\$67.8 million in revenue for the six months ended 30 June 2017 (“HY2017”), compared to S\$2.8 million and S\$61.2 million respectively the corresponding period a year ago (“HY2016”).

Revenue increased 10.7% mainly from the Group’s sale of construction materials and civil engineering services segments, which rose 287.1% to S\$12.0 million and 0.4% to S\$50.5 million respectively in HY2017. Gross profit margin of the Group in HY2017 improved 4.6 percentage points to 22.5% from 17.9% in HY2016.

Based on 151,384,600 ordinary shares in issue, net asset value per share of the Group increased to 41.1 Singapore cents as at 30 June 2017 compared to 38.2 Singapore cents as at 31 December 2016; while earnings per share for HY2017 rose to 3.4 Singapore cents from 1.84 Singapore cents for HY2016.

Mr Patrick Ng (黄健安), Executive Director and Chief Executive Officer of the Group, said, “The strong bottom line performance in the first half reflects both our healthy order book and operational management. Moderate growth in construction activity continued to support our key civil engineering services segment as well as sale of construction materials segment. Since attaining a higher A1 grading with the Building and Construction Authority (“BCA”), we have seen more opportunities with larger-scale projects of higher value and have managed to strengthen our order book with new contract wins. In particular, we secured a civil engineering contract from Changi Airport Group (Singapore) Pte Ltd for the temporary infrastructure works and services for Changi East Development.”

Future Plans

The Group has a multi-pronged strategy for future growth. It will continue to leverage on its reputation as a key industry player with its track record to seek opportunities in public infrastructure projects. At the same time, the Group also continues to invest in technology and innovation to move up the value chain and enhance its position as one of the leading civil engineering service and solutions providers in the infrastructure sector.

Mr Ng said, “Looking ahead, we expect public sector demand for civil engineering to be buoyant as projected by the BCA. We believe Huationg Global is well-positioned to capture opportunities that may arise in this area given our track record.”

About Huationg Global

Established in 1983 and listed on the SGX Catalist in 2014 (December), Huationg Global Limited provides a full range of civil engineering services and inland logistics support, and is also involved in the sale of construction materials, including the manufacture and supply of Liquefied Soil Stabiliser (LSS) and the sale of Recycled Concrete Aggregate (RCA). A key player with an established a strong track record in the civil engineering industry, the Group has been involved in such works for numerous large infrastructural construction projects in Singapore over the last 30 years including certain stations of the Downtown Line MRT and Circle Line MRT, the Kallang-PayaLebar Expressway and the Marina Coastal Expressway. Its key customers in this segment include the Housing and Development Board, Land Transport Authority of Singapore, JTC Corporation, Changi Airport Group and Daelim Industrial Co. Ltd. among others. The Group is registered with the Building and Construction Authority with a BCA grading of A1 under the category of CW02 for civil engineering and B2 under the category CW01 for General Building.

Issued for and on behalf of Huationg Global Limited by

August Consulting

Tel: +65 6733 8873

Silvia Heng, silviaheng@august.com.sg

Jeremy Sing, jeremysing@august.com.sg

This press release has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.

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The contact person for the Sponsor is Mr Joseph Au, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).