聯明集團有限公司
LIAN BENG GROUP LTD

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FOR IMMEDIATE RELEASE

Lian Beng achieves 1HFY2018 profit to shareholder of S$12.2 million

- **Group declares interim dividend of $0.01 per share**
- **Maintains strong financial position with cash and cash equivalents of S$155.9 million as at 30 November 2017**
- **Construction order book stood at approximately S$972 million as at 30 November 2017 offers steady flow of activity through FY2022**

SINGAPORE, 12 January 2018 – Lian Beng Group ("Lian Beng" or "the Group") (联明集团), a Singapore BCA Grade A1 construction group, reported a profit to shareholders of S$12.2 million for its first half ended 30 November 2017 ("1HFY2018").

Table 1 – Financial highlights

(S$ '000)	6 months ended 30 November 2017 (1HFY2018)	6 months ended 30 November 2016 (1HFY2017)	% change
Revenue	87,638	120,022	(27.0%)
Gross profit	19,545	29,372	(33.5%)
Profit to shareholders	12,191	18,377	(33.7%)

1HFY2018 revenue decreased by 27.0% to S$87.6 million mainly due to the decrease in revenue from the Construction business segment offset by the increase in revenue from the investment holding segment.

Notwithstanding the lower revenue and profit to shareholders for 1HFY2018 compared to the corresponding period last year, the Group is declaring an interim dividend of S$0.01 per share, which is the same level as last year's interim dividend.

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Mr Ong Pang Aik (王邦益), Lian Beng's Executive Chairman, commented, "We have recently entered into a contract of sale for the proposed disposal of the property at Franklin Street, Melbourne for A$90.15 million. This disposal is likely to be completed in the second half of FY2018. We can look forward to the recognition of the gain from this disposal."

The Group maintained a strong balance sheet with healthy cash level of S$155.9 million as at 30 November 2017 which allows it to continue to explore local and overseas opportunities to further expand its business.

The Group's net construction order book stood at S$972 million as at 30 November 2017, which will provide a steady flow of activity through FY2022. This includes the S$136.8 million contract to build a condominium at Potong Pasir Avenue 1 and the S$199.5 million contract to build a residential development at Serangoon North Avenue.

The Group is exploring a spin-off of its property development business to be listed on the Catalist Board of the Singapore Exchange. The Group will convene an Extraordinary General Meeting to seek shareholders' approval in due course.

According to advance estimates released by the Ministry of Trade and Industry on 2 January 2018, Singapore economy grew 3.5% in 2017. The Urban Redevelopment Authority (URA)'s flash estimate released on 2 January 2018 shows a 1% increase of private residential property prices for 2017, compared with the 3.1% decline in 2016. In its media release dated 11 January 2018, the Building and Construction Authority (BCA) estimated that between S$16 billion and S$19 billion worth of public projects will be awarded in 2018, more than the S$15.5 billion in 2017. BCA also projected that total construction demand for 2018 is likely to improve from S$24.5 billion in 2017 to between S$26 billion and S$31 billion.

In light of the above positive indicators, the Group is cautiously optimistic of the construction and property outlook for the next 12 months. The Group will continue to tender for construction projects leveraging on its track record and expertise, and explore further property investment projects.

- The End –

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About Lian Beng Group Ltd

Established in 1973, Lian Beng Group Ltd is one of few Singapore's major home-grown construction groups with integrated civil engineering and construction support service capabilities. The Group is principally involved in the construction of residential, industrial and commercial projects, and civil engineering projects as a main contractor.

As a Building and Construction Authority (BCA) Grade A1 contractor in General Building, Lian Beng can tender for public sector building projects of unlimited contract value, while its A2 grade in Civil Engineering allows it to tender for engineering projects of up to $85 million in contract value. Based on years of experience and impeccable track record, the Group has established a reputation in managing large-scale and complex construction projects.

Lian Beng also engages in other construction related activities such as the provision of scaffolding and engineering services, supply of ready-mix concrete and asphalt premix, leasing of equipment and machinery, reinforcement bar fabrication, sourcing and management of construction materials and training of foreign construction labour.

Apart from construction, Lian Beng also engages in property development locally and overseas, mostly through joint ventures. Some of its completed and ongoing property development projects include Lincoln Suites, M-Space, Spottiswoode Suites, The Midtown & Midtown Residences, NEWest, KAP Residences, Eco-tech@Sunview, Hexacube and T-Space. The Group also has a few property investment projects locally and overseas. In addition, Lian Beng presently operates two local workers' dormitories, both through joint ventures.

The Group, an advocate for sustainable living, was awarded with the Green Mark Platinum award by BCA in 2010 for its project at 29 Harrison Road, the Group's headquarters building.

Lian Beng Group Ltd was listed on the Main Board of the Singapore Exchange in 1999.

For more information, please visit http://www.lianbeng.com.sg.

Issued for and on behalf of Lian Beng Group Ltd

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