

**MEDIA RELEASE – 13 February 2015**

**For Immediate Release**

## **King Wan Corporation recorded S\$61.5 million revenue for first nine months ended 31 December 2014**

### **Highlights**

- Gross profit margin improves at 15.1%
- Net asset value per share and earning per share increase to 33.80 cents and 7.66 cents respectively
- Order book of S\$189m lasting till 2018

**SINGAPORE, 13 February 2015: MAINBOARD-LISTED** King Wan Corporation Limited (“King Wan” or “the Group”) (庆源企业), a Singapore-based integrated building services and mechanical and electrical (M&E) engineering specialist, recorded a revenue of S\$61.48 million for the first nine months ended 31 December 2014 (9M2015). The Group’s net profit after income tax was S\$26.7 million. The profits included the one-time net gain from the completion of divestment of the two Thailand associates during the period.

**Ms Chua Eng Eng (蔡莹莹)**, Managing Director of King Wan said: ***“Our core M&E business has maintained a strong order book of S\$189 million lasting till 2018. With the investment value for our investments in Thailand unlocked, we are well-positioned to seek for more attractive business and investment opportunities in the region. We are steadfastly keeping tight control over costs and improving efficiency of our operations.”***

## Financial Position

The Group's financial position continues to be strong. The Group's net assets stood at S\$118 million as at 31 December 2014, a 37% increase from S\$86 million as at 31 March 2014. Net asset value per share improved to 33.8 cents from 24.75 cents as at 31 March 2014.

Cash and cash equivalents stand at S\$7.94 million as at 31 December 2014.

Market capitalisation was S\$110 million based on the closing share price of 31.5 Singapore cents as at 13 February 2015.

## Business Outlook

The industry outlook remains challenging in the next 12 months with increasing competition and an expected increase in labour cost due to higher foreign worker levies. The Group will continue to focus on its core business by leveraging on its strong track record to secure more projects as well as enhance its cost effectiveness and efficiency in the management of on-going projects.

To date, the Group has approximately S\$189 million worth of M&E engineering contracts on hand, with completion dates ranging from years 2015 to 2018. S\$43.3 million of these orders were secured in the last 4 months.

The Group expects the M&E business segment to contribute positively to the Group's results in the next 12 months.

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## ***About King Wan Corporation Limited ([www.kingwan.com](http://www.kingwan.com))***

**King Wan Corporation Limited (庆源企业)** is a Singapore-based integrated building services company with its core business in the provision of **Mechanical and Electrical (M&E)** engineering services for the building and construction industry. It also provides **rental of mobile chemical lavatories** and ancillary facilities for construction worksites as well as public and nation-wide public events.

Under its M&E business, it provides multi-disciplined M&E engineering services such as the design and installation plumbing & sanitary systems, electricity distribution systems, fire

protection, alarm systems, communications and security systems, and air-conditioning and mechanical ventilation systems for the building and construction industry.

Besides its core business, it also maintains an investment portfolio comprising of three business segments, namely

- **Property Development segment** - engages in the development, marketing and sale of residential and commercial properties in Singapore, China and Thailand;

- **Vessel Ownership and Chartering segment** - acquire vessels for chartering to third parties.

- **Workers Dormitory Operations segment** – design, build and operate purpose-built workers' accommodation and related facilities.

The Group operates along with its subsidiaries and associates across Singapore, China, and Thailand. It implements a multi-country, multi-industry portfolio strategy in order to diversify and broaden its revenue streams and better manage investment risks.

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