



FOR IMMEDIATE RELEASE

Huatiang Global records healthy revenue growth for FY2014

- Revenue grew 22.9% to S\$133.3 million, driven by robust performance from its civil engineering services and inland logistics services
- Profit attributable to owners of the parent up 2.9% to S\$5.1 million despite higher expenses arising from workforce expansion and the one-time IPO expense of S\$1.4 million

Summary of Financial Results For Full Year Ended 31 December:

S\$'000	FY2014	FY2013	+/(-)%
Revenue	133,332	108,475	22.9
Gross Profit	21,728	16,498	31.7
Profit before tax	6,276	6,328	(0.8)
Profit attributable to owners of the parent	5,106	4,963	2.9

SINGAPORE, 26 February 2015 – Huatiang Global Limited (“Huatiang Global” or the “Company”, and together with its subsidiaries, the “Group”), a full-service integrated civil engineering solutions provider, today announced a 2.9% year-on-year (“y-o-y”) increase in profit attributable to owners of the parent to S\$5.1 million for the financial year ended 31 December 2014 (“FY2014”). This was achieved in spite of higher expenses arising from its workforce expansion and a one-time IPO expense of S\$1.4 million.

The Group’s improved earnings comes on the back of 22.9% y-o-y increase in its FY2014 revenue to S\$133.3 million, from S\$108.5 million in FY2013, which was underpinned by robust growth in both civil engineering services and inland logistics services segments.

Revenue from civil engineering services rose \$24.2 million or 30.4% y-o-y to S\$103.8 million in FY2014 due to substantial recognition of earthworks and external works.

In FY2014, the Group reported a healthy 31.7% rise in gross profit to S\$21.7 million with margin improving from 15.2% in FY2013 to 16.3%.

Commenting on the results, Mr Patrick Ng (黄健安), Chief Executive Officer and Executive Director of the Group, said, "Huatong Global's strong set of results is an encouraging start for our new journey as a public-listed company. It is also a testament to the strong track record we have built in the civil engineering industry over the last 30 years. Looking ahead, the Group will focus on strengthening our market position and strive for a better performance."

Prospects and Future Plans

As referenced from the Building and Construction Authority News Release 2015, construction contracts for the built environment sector are expected to be buoyant in 2015, given a sustained pipeline of public sector projects. This follows an exceptionally strong performance in 2014 where the construction demand was fuelled by a higher volume of institutional and civil engineering construction contracts. Such projects include Sengkang General and Community Hospitals, Tampines Town Hub project and the award of various major contracts for the construction of Thomson-East Coast MRT Line as well as land preparation works for the upcoming Changi Airport development.

Outlook for 2015

This year, public sector projects are expected to account for an estimate of 60% of the total construction demand. However, while public housing projects are anticipated to moderate this year in consideration of a more stabilised public housing market, public construction demand will remain stable due to an increase in industrial projects and a sustained pipeline of institutional and civil engineering works.

Said Mr Ng, "With the continued strong demand driven by public works and infrastructure development including new MRT Lines, we plan to focus on securing more public sector projects as well as MRT Lines project."

In addition to its plans to expand its civil engineering arm, the Group is concurrently seeking to expand its customer base for Liquefied Soil Stabiliser ("LSS") to overseas markets such as Malaysia while maintaining its presence in the Singapore market by promoting and increasing the use of LSS in its upcoming projects, including projects relating to the upcoming Thomson MRT Line.

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 and Daelim Industrial Co. Ltd. among others. The Group is registered with the Building and Construction Authority with a BCA grading of A2 under the category of CW02 for civil engineering and C2 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, silvia@august.com.sg

Jeremy Sing, jeremysing@august.com.sg

Benjamin Ng, ben@august.com.sg

*Huationg Global Limited (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 9 December 2014. The initial public offering of the Company (the “**IPO**”) was sponsored by PrimePartners Corporate Finance Pte.Ltd. (“**PPCF**”) or the “**Sponsor**”).*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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The contact person for the Sponsor is Mr Thomas Lam, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.