



HLH
GROUP LIMITED
達來發集團有限公司
Listed on SGX Mainboard (H27.SI)

PRESS RELEASE

HLH GROUP REPORTS HIGHER REVENUE AND GROSS PROFIT FOR 1QFY2016

Singapore, May 11, 2016 –

SGX Mainboard listed HLH Group Limited (“HLH” or the Group) achieved turnover of S\$1.9 million for the first three months ended March 31, 2016 (“1QFY2016”), up 36% from S\$1.4 million for the previous corresponding period.

Gross profit for the quarter surged 76% to S\$1.7 million from S\$1 million in 1QFY2015, primarily due to the better performance of its Agriculture Division. The Group posted an increase in cooperation income from the joint operations with Zhong Fu International Investment (Cambodia) Ltd.

The Group also clocked in positive cashflow from operations. Net cashflows from its operating activities rose to S\$0.1 million from a negative of S\$0.2 million.

However, distribution and marketing expenses, absent in the previous quarter, jumped to S\$0.4 million as a result of new sales and marketing activities to promote the Group’s real estate project in Cambodia.

Overall, excluding losses from foreign currency translations, the Group registered a net attributable loss of about S\$0.5 million for the first quarter of this year, compared to a net attributable loss of S\$0.3 million in 1QFY2015.

Earnings Per Share and Net Asset Value Per Share

The Group’s Loss Per Share was 0.06 cent in 1QFY2016, while Net Asset Value Per Share eased to 2.6 cents as at March 31, 2016 from 2.7 cents as at December 31, 2015.

Working Capital Position

The Group’s financial position remains healthy. Total cash and cash equivalents stood at S\$2.8 million at March 31, 2016 against S\$3.8 million at March 31, 2015.

Going Forward

Dato Dr Johnny Ong, HLH Group’s Deputy Chairman and CEO, said “While the Group saw sales growth, foreign currency translations and higher cost to drive sales of our new real estate project in Cambodia resulted in our weaker 1QFY2016 results.

Despite this, we will pursue our dual focus strategy to grow both our agriculture and property businesses in Cambodia. We have already clocked in positive contributions from our collaboration with Zhong Fu and our first property project – D’Serview – has received good response from investors.

As announced in previous press release, HLH Group Limited has successfully upgraded its 10,000 hectares farm in Aoral District, Kampong Speu Province in Cambodia, into a full scale Agriculture Park that comprises the cultivation of cassava, the processing area for cassava starch and chips. It will also have an area designated for livestock husbandry investment whereby the Group will be actively sourcing for strategic international investors to set up its farming assets in the new park.

Our new cassava starch production line has already started production in April, and we expect to raise output from the current 120 to 150 metric tons.

Following the launch of D’Serview, we will continue to pursue new real estate projects for growth.”

While the Cambodian economy stays upbeat, uncertainties still persist in the prevailing global economy. Barring any unforeseen circumstances, the Group remains cautiously optimistic in its overall outlook in the coming months.

About HLH Group Limited

- HLH was founded in Singapore since 1988, from a sole proprietorship providing construction services to a regional property developer and producer of raw and processed agricultural products. It has been listed on the mainboard of Singapore Stock Exchange since June 2000.
- The Group operates two core business segments: Property Development and Agriculture.
- Since the establishment of the Group’s Agriculture Division in Cambodia in 2008, it has become one of the largest privately owned cassava plantations in the Kingdom with land size approximately 11,000 hectares. The Agriculture Division is focused on agricultural investment & development, as well as the cultivation of cassava and sugarcane through collaboration with joint-operation partners.
- A new cassava starch production line was recently added, capable of producing up to 120 tons of cassava starch daily. The setting up of the cassava production line is part of the group’s overall strategy to extend its agricultural production chain downstream from farming to harvesting to value-added processing on our produces.
- The Property Division, which has successfully completed numerous projects in Singapore since 2001, officially started its overseas property division in 2015 with the launch of its residential brand “CAMHOMES”. It has also unveiled its first overseas mixed development project called D’Serview, which will be built in the port city of Sihanoukville, the only deep water sea port in Cambodia. Under “CAMHOMES” the Group will aim to launch more high quality and

affordable housing developments to target the growing middle income residents in Cambodia.

Release issued on behalf of HLH Group Limited by Stratagem Consultants Pte Ltd

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