



聯明集團有限公司

LIAN BENG GROUP LTD

Company Registration No. 199802527Z

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## **Lian Beng Books 48.0% Rise in Net Profit to S\$22.0M**

- ✓ Declares interim dividend of S\$0.01 per share
- ✓ Healthy cash level at S\$246.9M
- ✓ Strong construction order book to sustain the Group through FY2027

Singapore, 12 January 2023 – Homegrown building construction and property development company **Lian Beng Group** (the “Group”) has recorded a 48.0% increase in profit attributable to shareholders to S\$22.0 million in the six months ended 30 November 2022 (“1H2023”), from S\$14.9 million in the previous corresponding period (“1H2022”). This came amid a 11.6% rise in revenue to S\$421.0 million in 1H2023, from S\$377.3 million in 1H2022. Earnings per share thus rose to 4.40 Singapore cents, compared to 2.98 Singapore cents a year ago.

The Group’s board of directors has recommended an interim dividend of S\$0.01 per share, which is consistent with that declared in 1H2022.

Commenting on the results, Mr Ong Pang Aik, Chairman and Managing Director, said, “The results reflect Lian Beng Group’s adaptability to the rapidly changing industry conditions. We are glad to have been able to close the half year with a healthy cash level and order book.”

### **Performance Review**

Revenue for the Construction Segment rose 14.1% to S\$354.0 million, from S\$310.1 million a year ago. This was driven by a general improvement in the level of construction activity, with the commencement of some new projects as well as progress made in the construction of other ongoing projects.

The Property Development Segment turned in marginally lower revenue at S\$38.2 million, compared to S\$39.9 million in 1H2022, taking into account a year-on-year decline in progressive revenue recognition from the sale of light industrial project INSPACE, as the project approached completion.

The Investment Holding and Dormitory Segments recorded a 5.5% net increase in revenue to S\$28.8 million in 1H2023, from S\$27.3 million a year ago, amid a recovery in occupancy and rent generated from the dormitory business.



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The Group's profit before tax improved 33.6% to S\$35.6 million, compared to S\$26.7 million a year ago, taking into account a fair value gain of S\$13.6 million on 381 Joo Chiat Road that was being held for sale. The sale of the property was completed in December 2022.

As at 30 November 2022, net asset value per share improved to 153.83 Singapore cents, compared to 153.40 Singapore cents a year ago. The Group held higher cash and cash equivalents of S\$246.9 million, compared to S\$228.9 million as at 31 May 2022.

### **Outlook**

While construction activity following the lifting of pandemic-related restrictions has led to an increase in business activity in this segment, the Group is mindful that the construction industry continues to be constrained by rising labour and raw material costs and supply chain disruptions, which will put the industry under pressure to complete existing projects on time.

The Group's strong construction order book will provide a steady flow of activity through FY2027. The Group will closely monitor the delivery of these projects, while prudently tendering for public and private sector contracts as and when such opportunities arise. It will also closely monitor the construction progress of the projects in its Property Development Segment to ensure smooth development.

Barring unforeseen circumstances, the Group expects the Investment Holding and Dormitory Segments to continue generating stable recurring income.

The Group will continue to prioritise cost control and exercise caution when exploring business opportunities in the region for sustainable growth.

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### **About Lian Beng Group Ltd**

Established in 1973, Lian Beng Group Ltd is one of 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 is able to tender for public sector building projects of unlimited contract value, while its A2 grading in Civil Engineering allows it to tender for engineering projects of up to \$85 million in contract value.

Backed by years of experience and an impeccable track record, the Group has established a reputation for managing large-scale and complex construction projects. In addition, Lian Beng engages in other construction-related activities, such as the provision of scaffolding and engineering services, supply of ready-mix concrete, reinforcement bar fabrication, sourcing and management of construction materials and training of foreign construction labour. The Group also engages in property development through its 77.6%-owned subsidiary, SLB Development Ltd, which is listed on Singapore Exchange Catalist.

Apart from construction and property development, Lian Beng engages in property investment, with investment projects locally and overseas. The Group also operates two local workers' dormitories, both through joint ventures.

Lian Beng Group Ltd was listed on the Singapore Exchange Mainboard in 1999. For more information, please visit <http://www.lianbeng.com.sg>.

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