



**HONG LAI HUAT GROUP LIMITED  
INVESTOR PRESENTATION**

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OVERVIEW



AGRI-HUB



ONGOING PROJECTS



FINANCIALS



INVESTMENT MERITS

**SGX:CTO**

Stock Code

**~45%\***

Free Float

\*Based on company estimates

**Ong Family  
46.5%**

Major Shareholders

Previously 26% before the completion of rights issue in March 2021

**~S\$58m**

Market Cap

**S\$117.6m**

Net Asset Value

As at 31 Dec 2020

**S\$28.6m\*\***

Net Cash

\*\*Net Debt of S\$12.8m as at 31 Dec 20, adjusted for proceeds from rights issue, potential net proceeds from proposed sale of HLH Agri R&D. Remaining proceeds from the sale of Hotel at D'Seaview

**~S\$500m\***

**Total ongoing property development portfolio in Cambodia (excl. Agri-Hub)**

\*Based on company estimates

# Business Segments

## Agriculture

One of the largest cassava plantation operators and starch manufacturers in Cambodia.



## Property Development

More than 33 years of successful track record in Singapore and Cambodia.

38 construction projects completed in Singapore.



# BOARD OF DIRECTORS



**Dr Wang Kai Yuen**

Chairman and Non-Executive Independent Director

Dr. Wang was appointed to the Board on 1 May 2006. He is the Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee.



**Dato' Dr Ong Bee Huat**

Deputy Chairman and Chief Executive Officer

Dato' Dr. Ong is the founder of the Group. He is responsible for the Group's overall strategic direction and planning as well as business development.



**Prof Wong Wen-Young, Winston**

Vice Chairman and Non-Executive Director

Prof. Wong joined the Board on 27 February 2007. He has a wealth of experience and expertise in petrochemical products which adds value to the Group's agriculture business.



**Mr Ong Jia Ming, Ryan**

Executive Director

Being the Director of several key subsidiaries under the Group since 2014, Mr. Ong is also responsible for Project Management, Business Development, Public Relations, Branding as well as Sales and Marketing for the Group.



**Mr Ong Jia Jing, Dylan**

Group General Manager and Executive Director

Mr Ong was appointed to the Board on 1st September 2020. He is responsible on the strategic direction, operation planning sales and marketing as well as business development for the Group's Agriculture Division in Cambodia.



**Dr Lee Kuo Chuen, David**

Non-Executive Independent Director

Dr Lee was appointed to the Board on 30 April 2012. He is a Professor at the Singapore Institute of Management University and Vice President of The Economic Society of Singapore.



**Dr Chen Seow Phun, John**

Non-Executive Independent Director

Dr Chen was appointed to the Board on 11 August 2006. He is the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee.



**Kohe Hasan**

Non-Executive Independent Director

Ms Kohe Hasan was appointed to the Board on 1st March 2019. She is a partner with Reed Smith's Singapore office and is one of three directors of Resource Law LLC, Reed Smith's Singapore alliance partner law firm.



**Mr Lien We King**

Non-Executive Independent Director

Mr Lien We King was appointed to the Board on 1st March 2019. He is the Managing Director of Bridgewater Holdings Pte Ltd where he oversees the performance and growth of its portfolio of media businesses.

# KEY MANAGEMENT



**Mr Ong Jia Ming, Ryan**  
Executive Director

Mr. Ong holds two Executive Masters in Business Administration from North Borneo university College and IEMD Graduate Business School of Barcelona. He was appointed to the Board on 25th October 2016. Being the Director of several key subsidiaries under the Group since 2014, Mr. Ong is also responsible for Project Management, Business Development, Public Relations, Branding as well as Sales and Marketing for the Group.



**Dato' Dr Ong Bee Huat**  
Deputy Chairman and Chief Executive Officer

Dato' Dr. Ong is the founder of the Group. He is responsible for the Group's overall strategic direction and planning as well as business development. Dato' Dr. Ong is recognised as an outstanding entrepreneur and for his leadership. He was conferred the "Dato" title by the Sultan of Pahang, Malaysia on 15 January 2000 and awarded the Doctor of Business Administration in 2001 by Wisconsin International University of the United States.



**Mr Ong Jia Jing, Dylan**  
Group GM and Executive Director

Mr Ong was appointed to the Board on 1st September 2020. He is responsible on the strategic direction, as well as business development for the Group's Agriculture Division in Cambodia. Apart from his role in the Agriculture Division, Mr Ong also handles and maintain the Group's corporate image via holding quarterly roadshows with business partners, bankers or shareholders as well as establishing good relationship with all financial institutions. Lastly, Mr Ong also plays an important role in strengthening our market penetration and business presence in the Indo-china region and beyond.

# MILESTONES



**1988**

Hong Lai Huat Construction was founded



**1997**

Received G8 ranking from BCA



**2000**

Listed on SGX mainboard with 38 construction projects completed across Singapore



**2001**

Launched first freehold property development project in Singapore – D'Ecosia



**2007/2008**

Opening of D'Kranji Farm Resort  
Expanded into Cambodia and diversified into agricultural business with the acquisition of a 10,000 Ha land in Aoral District, Kampong Speu Province



**2021**

Obtained official approval to develop a mega Cambodia-Singapore Agricultural Hub ("Agri-Hub")



**2020**

Completed construction of D'Seaview



**2019**

Ground breaking ceremony for Royal Platinum



**2016**

Groundbreaking ceremony for Hong Lai Huat's first freehold mixed used development, D'Seaview in Cambodia



**2015**

Incorporated property subsidiaries in Cambodia to focus on acquiring land parcels in key cities in Cambodia

HONG LAI HUAT



**D'FRESCO**



**D'ALMIRA**



**D'CASTILIA**



**D'ECOSIA**



**D'LITHIUM**



**CLEMENTI FACTORY**



**SUNSHINE PLACE**



**YEOW TEE COMMUNITY CENTRE**



**BUKIT PANJANG N5 C4**



**D'CENENNIAL**



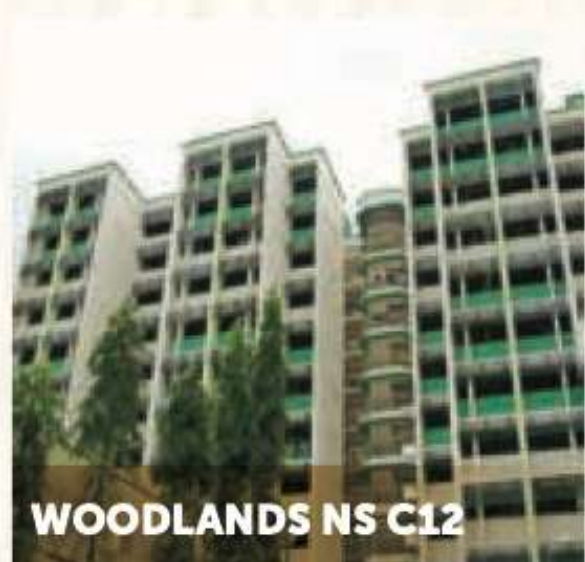
**PUNGGOL C22**



**CHOA CHU KANG N4 C10**



**BUKIT PANJANG N5 C12**



**WOODLANDS NS C12**



**QUEENSTOWN RC13**



**MARSILING MUP 12**



# SOME TRACK RECORD OF COMPLETED PROJECTS IN SINGAPORE AND CAMBODIA

Investor Presentation





### 1988-2014

Construction and property development in Singapore

**Strategic Roadmap**

1. Construction
2. Property Development

**Income Streams**



### 2008-2020

Expansion into Cambodia with agricultural business and property development;

- One of the largest privately owned cassava (tapioca) plantation and cassava starch factory in the Kingdom.
- Successfully launched 2 mixed used development projects in Cambodia – D'Seaview and Royal Platinum
- Acquired a 3<sup>rd</sup> plot of freehold land in Phnom Penh, Cambodia

1. Agricultural
2. Property Development



### 2021 and beyond

Development of Cambodia's first and largest Agricultural Hub

Property and real estate development in Cambodia

**Building multiple streams of income**

1. Property Development
2. Recurring income from leasing of completed properties
3. Diversified income streams from Agri-Hub\*

\*Pending signing of agreements

HONG LAI HUAT

# AGRI-HUB

Setting the foundation for Hong Lai Huat for the next 20 years

# Investor Presentation



# About Agri-Hub

## Location

- ~60 mins drive away from Capital City, Phnom Penh (~100km away)
- Accessible by either National Road 4 or National Road 44
- Highest peak of Cambodia (130m above sea level)
- Surrounded by various large scale industrial and agricultural farms

## Land Parcel Size

- 100,000,000 sqm (Approx. 1/7 size of Singapore)

## Development Zones (As approved by the Government) Est GDV: USD 1 billion (Phase 1)

- **GDV will be generated from** leasing of land, sales of land use rights as well as revenue recognition from joint cooperation model.
- **Zones in Agri Hub to include** value added food processing factories, warehousing facilities and logistic hub, renewable energy (like solar power), livestock farms, construction material zone, plantation zone, aquaponics, water treatment facilities, light industry zone, commercial and community living concepts etc



**Development  
Roadmap**

**Phase 1  
4Q2021-2024**

**Upgrading Infrastructure  
(Roads, Electricity & Water)**

Lightweight concrete panels  
Solar power  
Mining of minerals (granite & marble)  
Warehouse and logistics;  
Cold chain facility  
Food processing factories

**Phase 2  
2025- 2035**

**Development of  
Agriculture Hub**

Aquaculture  
Fisheries  
Plantations  
Commercial farm resorts  
Herb plantation

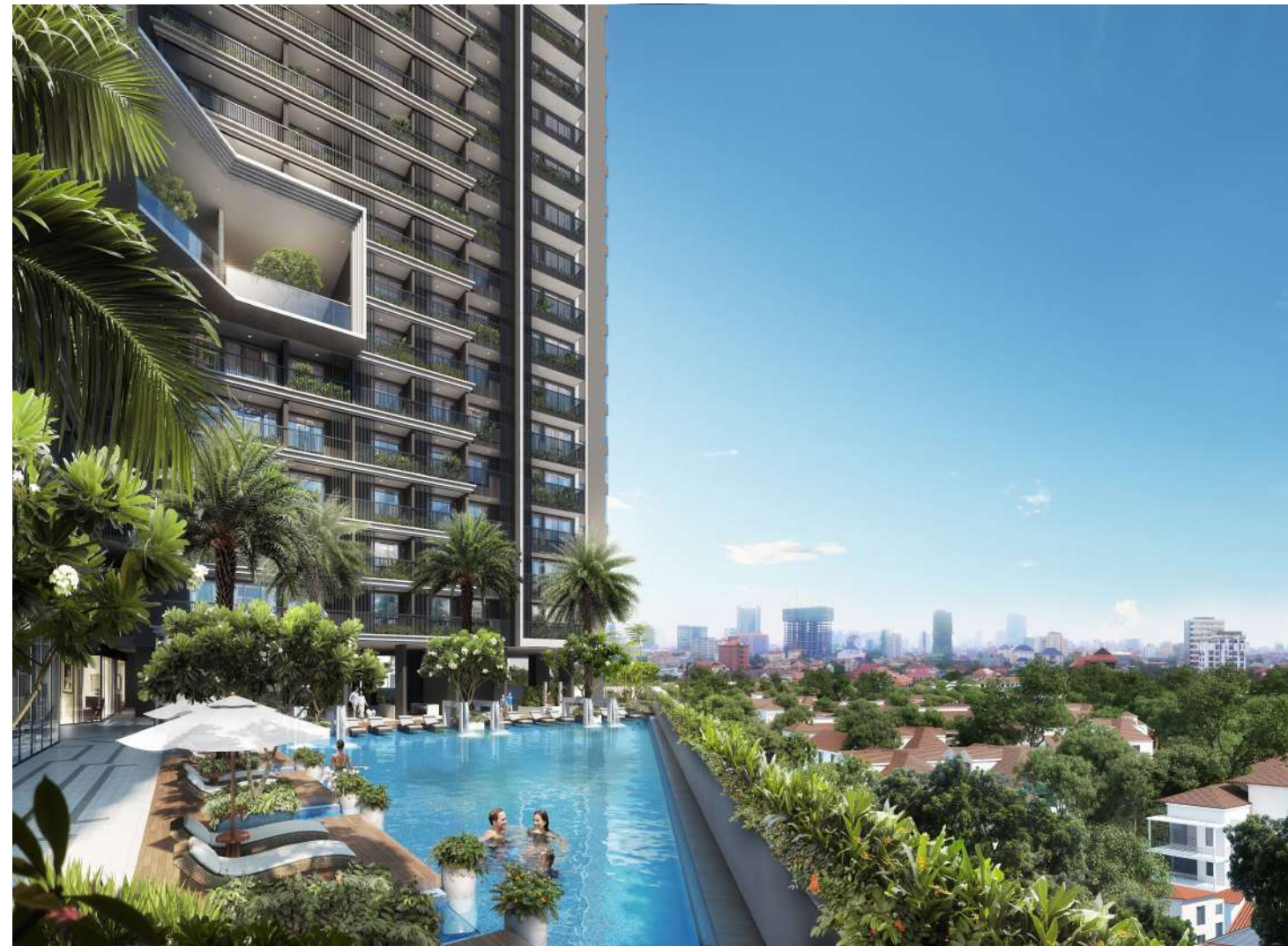
**Phase 3  
2036 – beyond**

**Community Living**

Commercial and living facilities  
e.g. hotels, residential housing,  
commercial shophouses

- Phases are subjected to changes from time to time depending on the economic situation of the post-pandemic market moving forward for Cambodia as well as across the region.
- All developments will be designated in accordance with the Master plan designed by Swan and Maclaren.

# Business Model



## 1. Sale of land use rights or its completed properties

**Immediate cashflow and income to Hong Lai Huat**

- Expected to recognize gain in disposal of land or other completed development properties held for sale.

## 2. Leasing of and or completed properties

**Recurring income and cashflow to Hong Lai Huat**



## 3. Joint Venture

- Hong Lai Huat will contribute in the form of land, while JV partner will contribute expertise and cost of development and running operations.
- Profit share agreement



# Phase 1 Potential Partnerships

## About Joe Green Pte Ltd

- A manufacturer of environmental-friendly light weight precast concrete hollow core wall panels for use in the building and construction industry as well as other related accessories.
- Headquartered in Singapore, Joe Green's manufacturing plant is presently located in Johor Bahru, Malaysia, covering more than 50% of the market share in precast concrete hollow core wall panel market in Singapore based on Joe Green's management's estimation.

## Development of Light-Weight Concrete Panel Manufacturing Plant

Type of agreement

Joint cooperation agreement signed on April 2021

Partner

Joe Green's licensee

Details of partnership

HLHA: Grant the right to Joe Green to use 20,000 sqm land at Agri-Hub to develop a Light-Weight Concrete Panel Manufacturing Plant

Joe Green shall have the option at any point of time to expand its existing manufacturing plant by another 100,000sqm for up to 40 years of production period subject to such terms and conditions acceptable by HLHA

# Phase 1 Potential Partnerships

## About China Machinery Engineering Corporation

- The comprehensive power solutions supplier for the 2008 Beijing Olympic Games and the 2010 World Expo in Shanghai, amongst other notable projects.
- Market cap of ~USD 1.9 billion
- A subsidiary of China National Machinery Industry Corporation, a Fortune Global 500 company.

### Development of the largest Solar Farm in Cambodia

**Type of agreement**

MOU to establish a SPV for proposed collaboration of at least 20 years, with right of renewal for further 20 years

**Partner**

China Machinery Engineering Corporation (CMEC) – HK mainboard listed

**Details of partnership**

Estimated investment value of the project ~ USD 200 million (SGD 265.8 million)

Proposed solar farm will supply electricity to the state-owned Electricite du Cambodge (“EDC”) grid under a Power Purchase Agreement, as well as to all future companies of the Agri-Hub

# Phase 1 Potential Partnerships

## About Cambodia Hei Shi Mineral Co, Ltd

- One of the leading companies in the granite industry since 2008 in the Kingdom of Cambodia
- Currently operates in five of the largest quarry in Cambodia and have several factories equipped with the latest cutting and polishing equipment technology

## Mining of Mineral Resources (Exquisite Marble & Granite)

### Type of agreement

MOU to establish a JV for a period of 10 years with an option to be renewed

### Partner

Cambodia Hei Shi Mineral Co, Ltd. (CHSM)

### Details of partnership

HLH: Provision of land and allocation of mineral rights

CHSM: Mining operations and be responsible for all costs incurred and developing infrastructures for mining operations within operation budget agreed between the parties



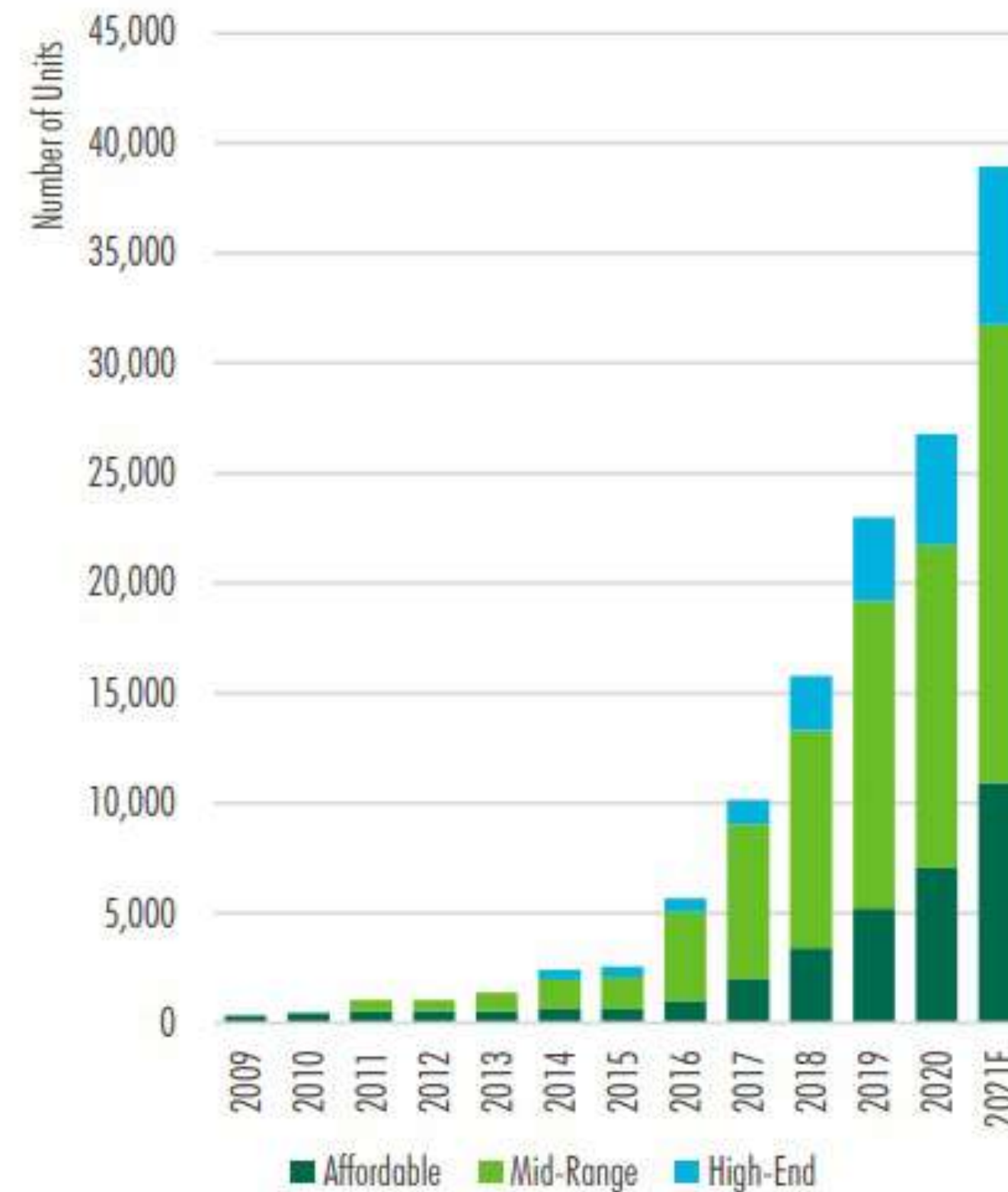
HONG LAI HUAT

# ONGOING PROJECTS

# Investor Presentation

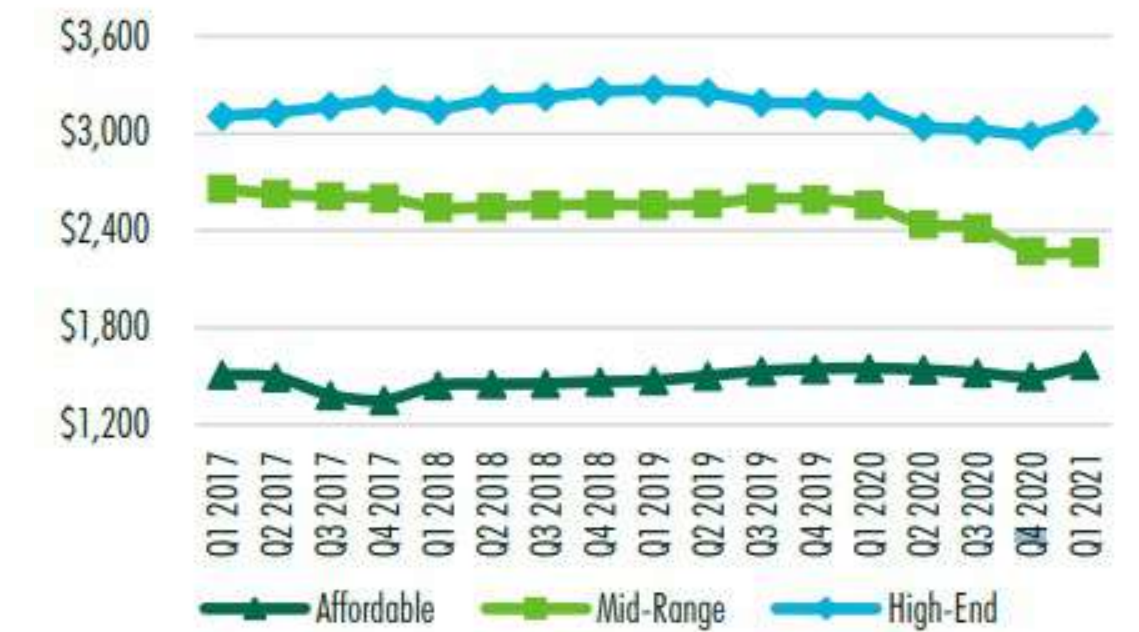
# Cambodia Housing Market

Phnom Penh Condominium Supply by Grade (2009 – 2021F)



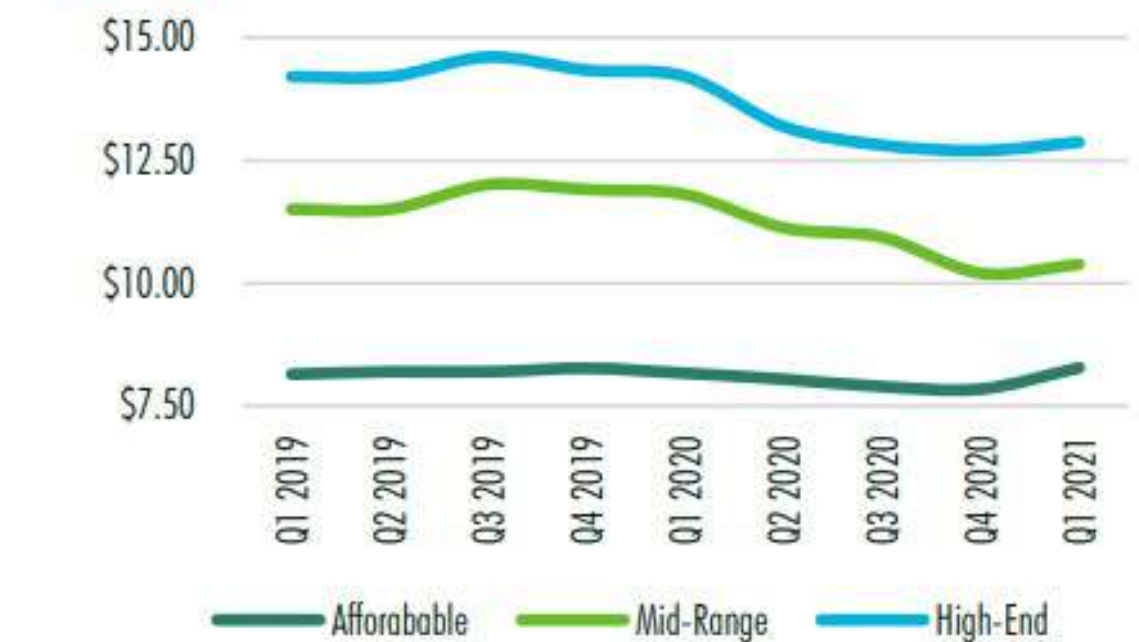
Source: CBRE Research, Q1 2021

Average Quoting Condominium Sales Prices Per SQM (Q1 2017 – Q1 2021)



Source: CBRE Research, Q1 2021

Condominium Average Quoting Rents PSM PM by Grade (Q1 2019 – Q1 2021)



Source: CBRE Research, Q1 2021

- Steady increase to suit the local demand for better modern housing equipped with full condo facilities compared to traditional shop-houses.
- Rental rates recovering vs the initial stages of the pandemic.

# Property Development Projects

Projects	D'Seaview	Royal Platinum	D'Clover
<b>Hong Lai Huat's % Stake</b>	100%	50%	100%
<b>Location</b>	Sihanoukville (Cambodia's top tourist destination)	Tuol Kork District Phnom Penh, Cambodia	Tuol Kork District Phnom Penh, Cambodia
<b>Type of Development</b>	Mid-range mixed development 737 residential units; 67 commercial units which includes a 10-storey boutique hotel	Mid-range mixed development 851 residential units; 50 commercial units	Affordable mixed development 1898 residential units; 47 commercial units
<b>Net Saleable Area</b>	100,000 sqm	~110,498 sqm	~100,423 sqm
<b>Average Selling Price (USD/psm)</b>	USD 1,263 psm	USD 1,981 psm	USD 990-1,500 psm (est)
<b>% Sold</b>	~85%	~15%	N/A
<b>Completion Date</b>	Commercial segment: FY2019 Residential segment: FY2020	Aug 2023 (FY2023)	Estimated to launch depending on the pandemic impact and recovery of the market

# D'Seaview

## Project Details

### Hong Lai Huat's Stake

100%

### Location

Sihanoukville (Cambodia's top tourist destination)

### Development

Mixed Use (737 residential units; 67 commercial units which includes a 10-storey boutique hotel)

- Avg selling price USD 55,000 – 167,000 for 1-3Br

### Land

9,818sqm (Freehold)

### Net Saleable Area

100,000 sqm

### % Sold

~85%

- Around 40 residential units tenanted with a rental yield of 8%

### Buyer's Profile

~55% Locals

~45% Foreigners

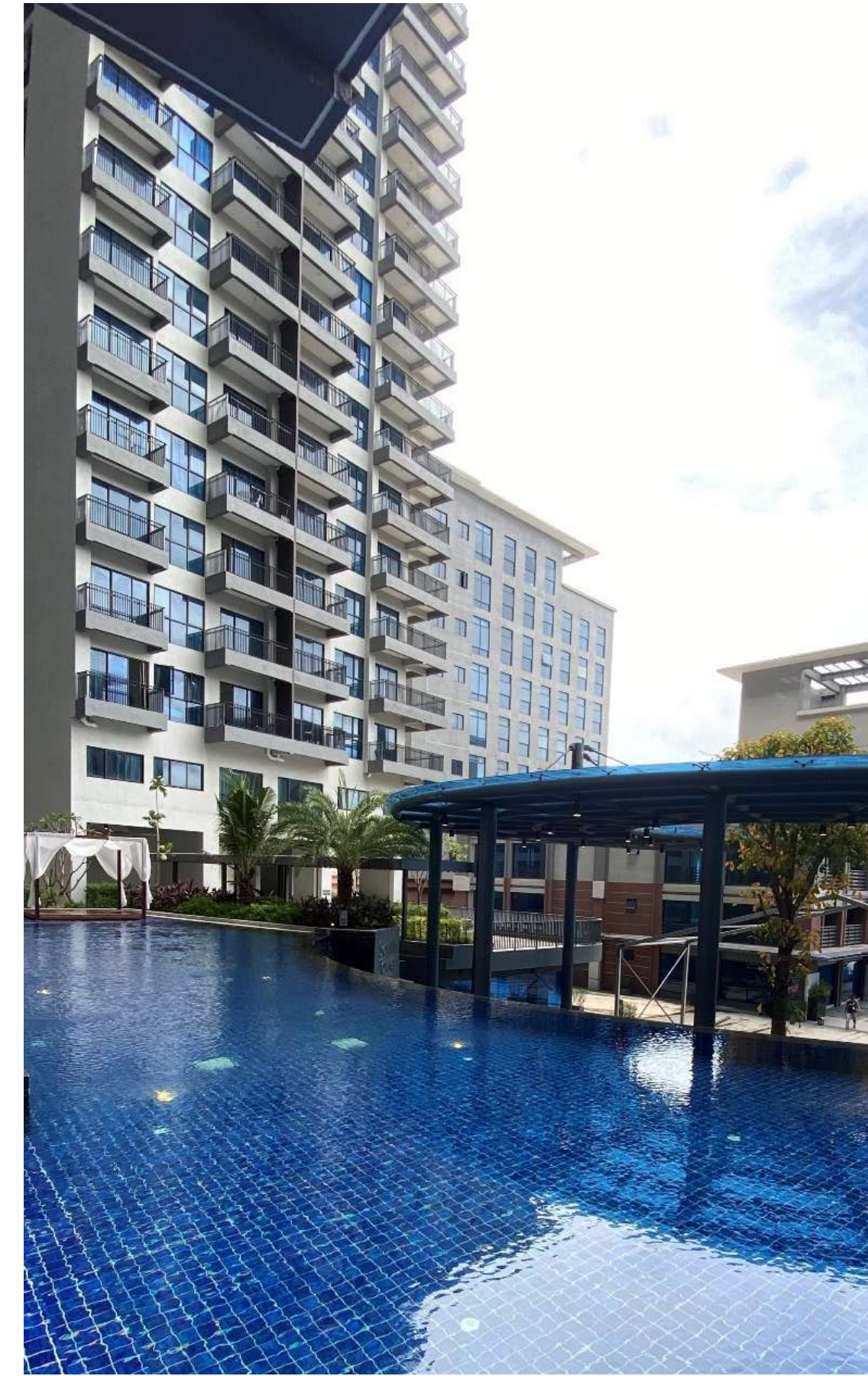
### Impact of Covid-19

Sales of balance units as well as the handover process to buyers have been impacted by the restrictions as the result of the covid-19 pandemic.

### Completion

Commercial segment: FY2019

Residential segment: FY2020



# Royal Platinum

## Project Details

### Hong Lai Huat's Stake

50% JV with Royal Group of companies

### Location

Tuol Kork District Phnom Penh, Cambodia

- 10min from Aeon Mall 2 in Phnom Penh
- 15min to Phnom Penh International Airport

### Development

Mixed Use (851 residential units; 50 commercial units)

- Avg selling price for 1br-3br: USD 118,000 – 273,000
- Avg selling price for penthouse USD 1,306,000
- Avg selling price for commercial units USD 724,000

### Land

8,221 sqm (Freehold)

### Net Saleable Area

~110,498 sqm

### % Sold

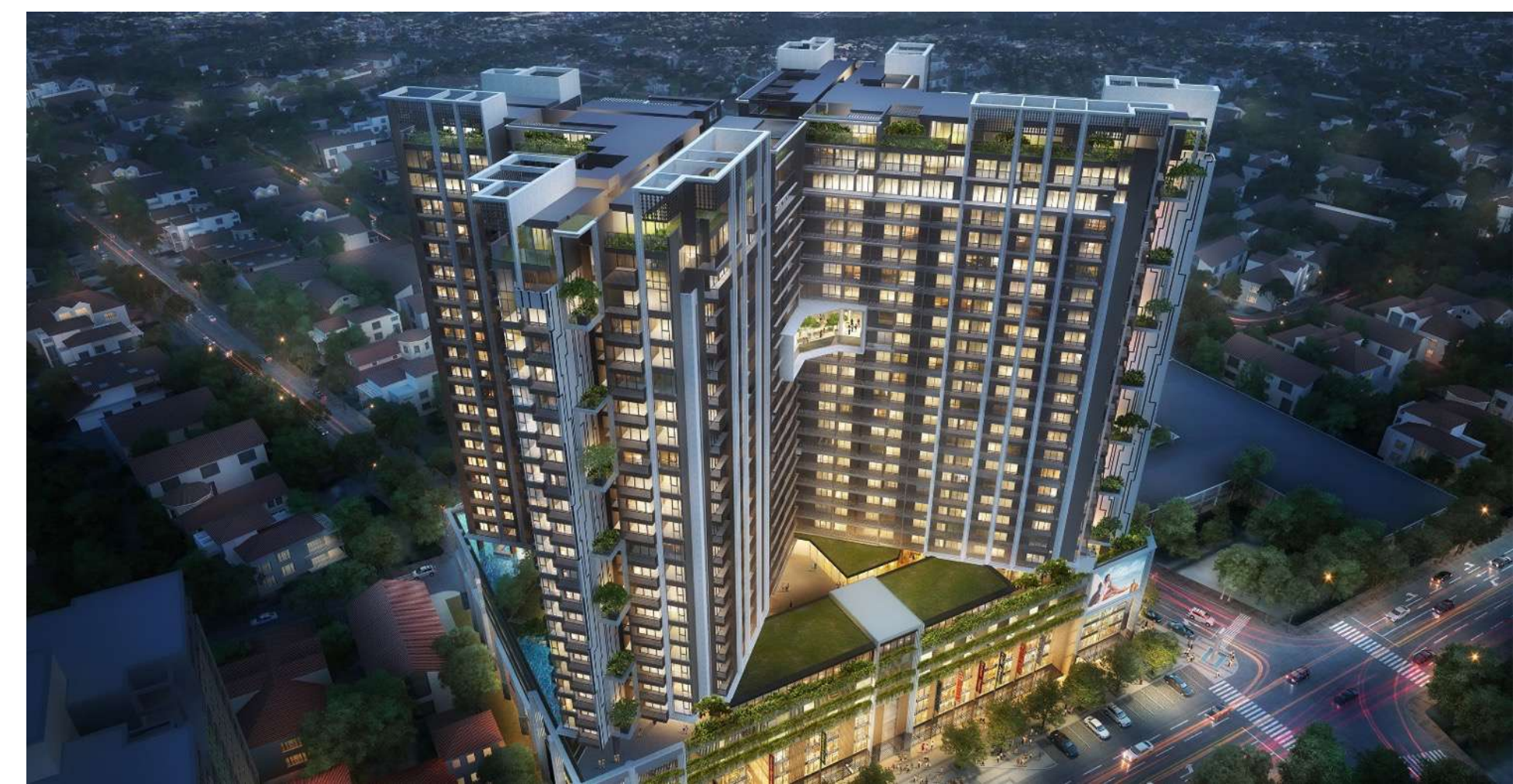
~15% (slower sales due to Covid-19 pandemic)

### Buyer's Profile

~70% Locals  
~30% Foreigners

### Completion

Under construction, 6<sup>th</sup> floor as of to-date presentation;  
(Estimated to complete 4Q2022)



# D'Clover

Project Details	
Hong Lai Huat's Stake	100%
Location	Tuol Kork District Phnom Penh
Development	Mixed Use (1,898 residential units; 47 commercial units) • Target selling price USD 990 – 1500 psm
Land	~11,851 sqm (Freehold)
Net Saleable Area	~100,423 sqm
% Sold	N/A
Target Customers	More than 50% for locals
Completion	Estimated to launch depending on the pandemic condition



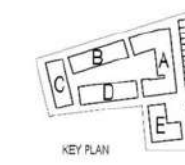
D' CLOVER

swan & maclaren

3-5 TYPICAL FLOOR PLAN

LEGEND

- STUDIO
- 2 BEDROOM
- 3 BEDROOM



TYPICAL FLOOR PLAN  
SCALE 1:500

D' CLOVER

swan & maclaren

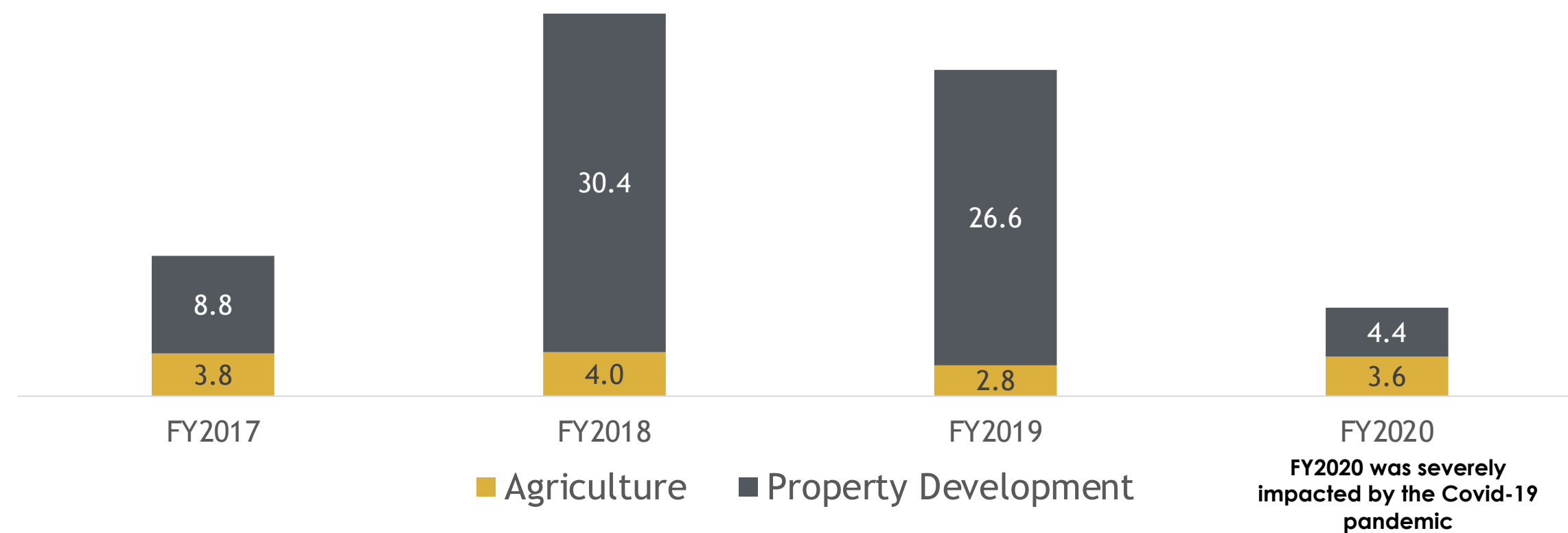
HONG LAI HUAT

# FINANCIALS

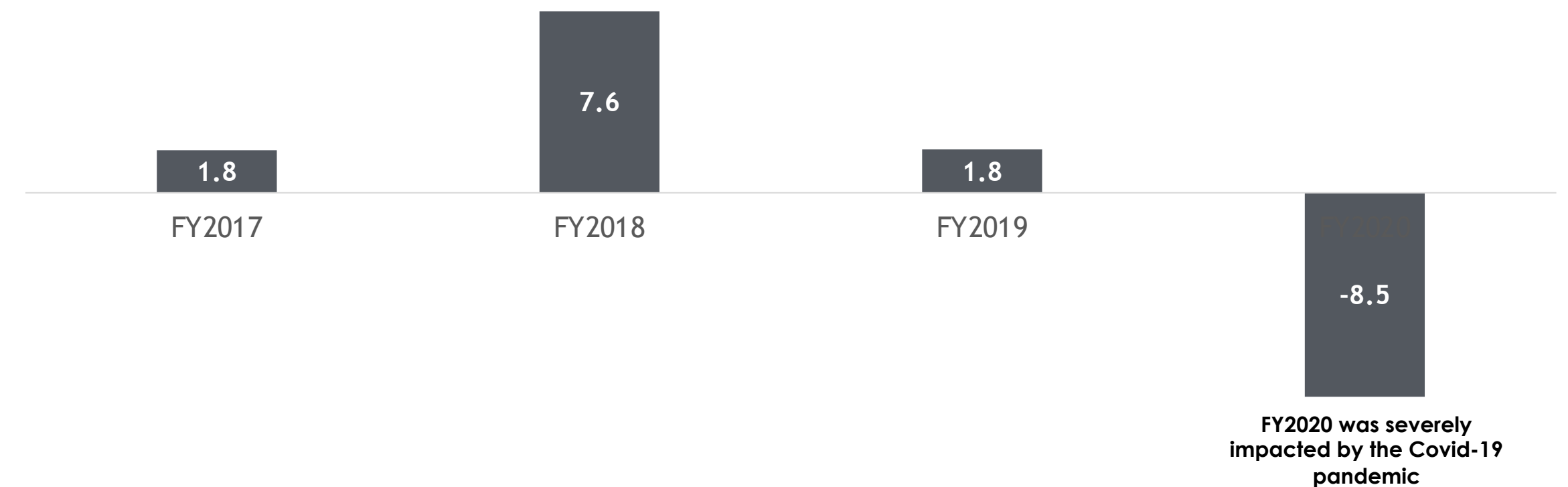
# Investor Presentation

# Financial Highlights

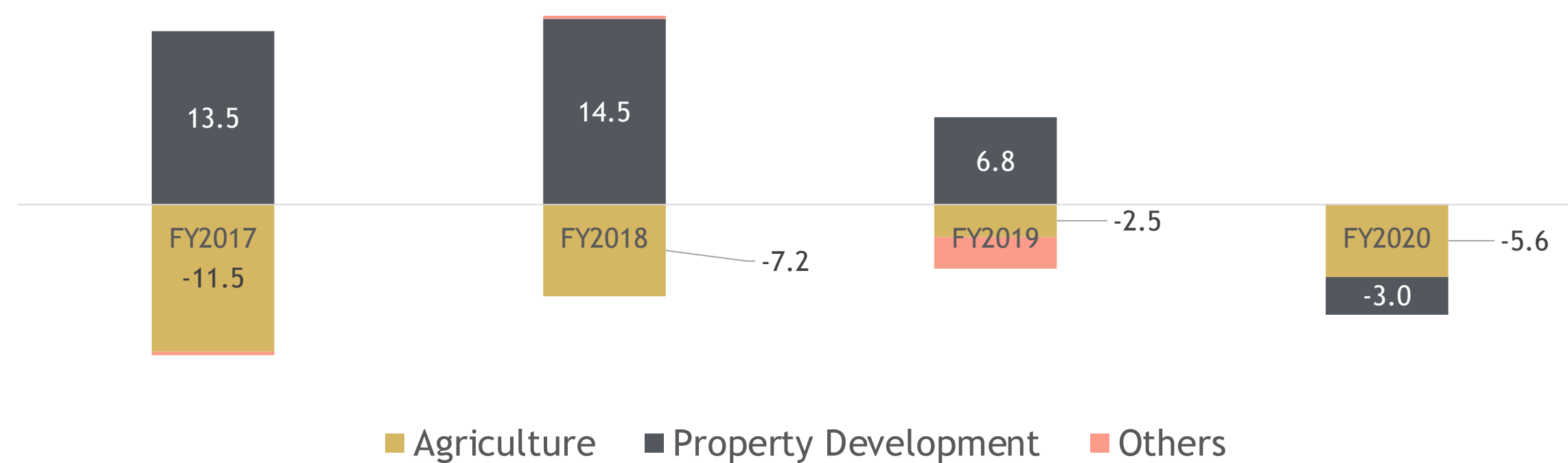
Revenue (S\$ million)



Net Profit (S\$ million)



Segmental Profit/(Loss) (S\$ million)



## Outlook, What's next post-pandemic?

1. Contribution from progressive sales recognition of Royal Platinum and D'Seaview balance units as well as new project launch.
2. Recurring income from leasing of completed properties
3. Diversified income streams from Agri-Hub\*  
\*Pending signing of agreements



# Financial Highlights

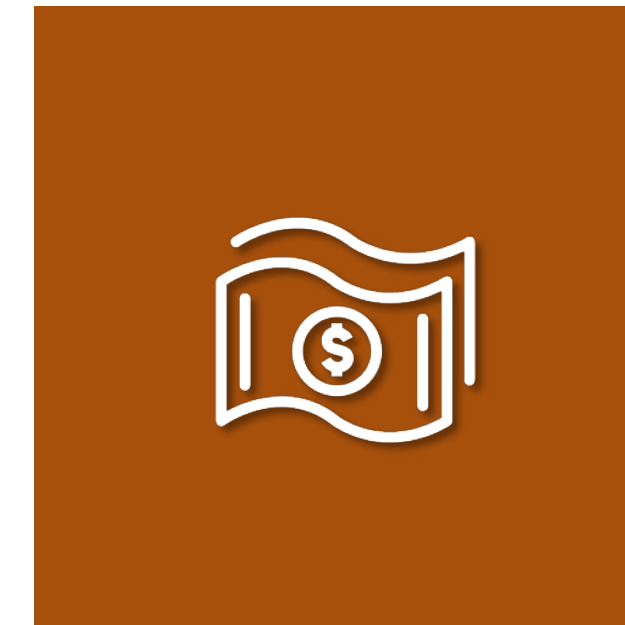
## Balance Sheet Highlights

SGD million	As at 31 Dec 2020		Comments
Cash	9.5		
Borrowings	(22.3)	14.5 million from controlling shareholder for purchase of freehold land	
Net (debt)/ cash	(12.8)*		
	Post 31 Dec 2020		
Net proceeds from rights	26.3	4 rights for every 3 existing shares; completed in March 2021; 101% subscribed	
Potential remaining net proceeds from sale of subsidiary HLH Agri R&D Pte. Ltd.	4.4	Pending completion by Q32021 subject to EGM (sale price of SGD 4.8 million; SGD 400,000 deposit already collected as of date)	
Remaining proceeds from the sale of hotel At D'Seaview	~10.3	USD 7.8 million; Expected receipt by Q42021	
Potential net (debt)/cash	28.6	Strong cash position and strengthened balance sheet	

# Investment Merits

## Attractive Valuation of 0.4x P/B

Backed by mainly hard assets of cash, properties and land

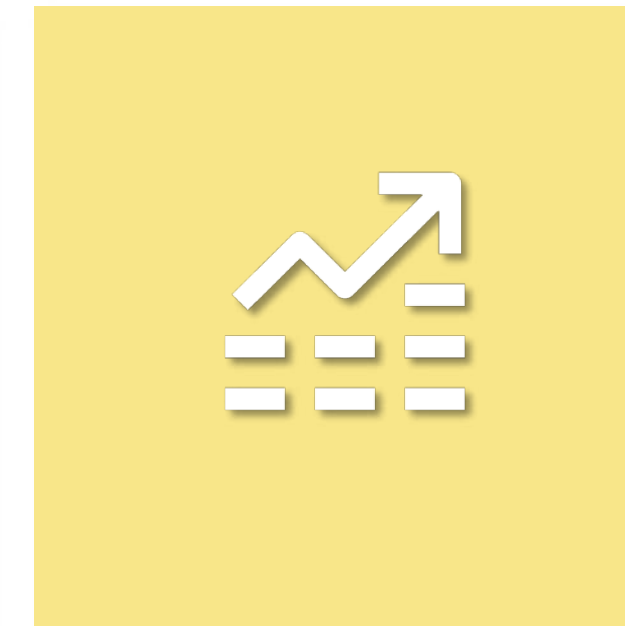


## Strong net cash position and strengthened balance sheet

Following rights issue, sale of HLH Agri R&D and D'Seaview hotel

## Significant uplift in agricultural land asset value following change in use of land for development of Agri-Hub

Obtained approval from Cambodian government to convert existing 100 million sqm of agricultural land at Aoral District for Agri-Hub development.



## Potential profit growth from additional of multiple streams of diversified income from partnerships in development of Agri-Hub

- Through partnerships with various MNCs, the Group is expected to see a potential growth in earnings with multiple streams of income contribution from diversified businesses segments.



**THANK YOU**



Investor/Media  
Enquiries:  
[emily@gem-comm.com](mailto:emily@gem-comm.com)