

Successful 9 months for HSL

New projects and further growth recorded

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Media Enquiries: Sonja Gan / Augustine Law Tel: 082-332755 / 012-8873200

KUCHING (Wednesday)—Sarawak-based infrastructure company Hock Seng Lee Berhad (HSL) has enjoyed both growth and procurement success up to the third quarter of 2012.

"Net profit before tax for the nine months up to 30 September 2012 was reported at RM86.53 million up 6 percent from the RM81.64 million achieved over the same period of 2011," Group Managing Director Dato Paul Yu Chee Hoe said.

Meanwhile revenue also rose some 5 percent for the January-September 2012 period to RM443.16 million from RM422.93 million for the same period of 2011.

"All in all, we are heading for another commendable financial performance in 2012," he added.

HSL Group added RM30.39 million net profit before tax for the third quarter 2012, up marginally from the RM30.16 million recorded for the third quarter of 2011.

Revenue for the quarter under review is RM152.24 million, an increase of 1% against the preceding year corresponding quarter's figure of RM150.42 million.

"Our third quarter performance this year has been quite similar to last year's.

"At the same time, the quarter has been notable for several procurement triumphs," Dato Paul Yu noted.

Some RM525 million worth of new projects has been added during 2012 to date while RM375 million worth has been completed. HSL secured RM313 million worth of new projects in 2011.

The Group currently has RM1.9 billion worth of projects in hand, of which a value of RM1.1 billion is outstanding.

The most recent additions to the order book include the RM291 million new campus for UITM Mukah and Senibong secondary school, a construction sub-contract worth RM39.5 million.

"Our strength in our core business areas of marine engineering and infrastructure works provides us a competitive edge in pursuing contracts in Sarawak," said Dato Paul Yu.

Moreover, our sound financial position with no borrowings and a RM177 million cash pile as at the end of the nine-month reporting period, places the Group in an advantageous position when structuring project proposals where financing or land-swap deals may be involved.

This is particularly the case when bidding for urgent public construction works whereby upfront available funding may be short.

HSL's largest on-hand project remains the Kuching City Centralised Wastewater Management project (Package 1) which is being undertaken by way of hi-tech tunneling and is currently 75 percent complete.

The Wastewater Treatment Plant (WWTP) which includes an Inlet Pumping Station, Headworks, an Activated Sludge Reactor, Secondary Clarifier and wetlands, was recently completed and has hosted numerous visitors.

The Sarawak Minister for Infrastructure and Communications Datuk Seri Michael Manyin Jawong last month used the completed WWTP to launch an information drive to educate community leaders about the transformation that centralized sewerage will bring to the city of Kuching.

Datuk Seri emphasized the importance of the project to alleviating the serious pollution of local rivers which currently absorb some 175 million litres of Kuching's untreated dirty wastewater every day and he called on the public to be co-operative as the contractor enters the individual property connections phase.

Looking ahead, HSL hopes to further contribute to safeguarding the future health of Kuching by bidding for Phase 2 of this essential centralized sewerage project.

"We expect to leverage our bid on ownership of Tunnel Boring Machines and mastery of the complex technology involved," said Dato Paul Yu.

The Group also remains upbeat on opportunities derived from rural development initiatives especially the provision of treated piped water and access roads.

There are additional opportunities for infrastructure works generated by the influx of foreign investors into the Sarawak Corridor of Renewable Energy (SCORE) projects.

While HSL's operations will continue to stretch across Sarawak's large land mass into the rural areas, there is also the growing need for improved public infrastructure in cities.

HSL completed major flood mitigation works in Sibul during the third quarter and will be looking for further such works given that flooding is a perennial problem in the state's major cities and exacerbated by the pace of industrialization and urbanization.

Road works contracts are also expected to stay as a feature of HSL's order book given the ongoing need for better access from rural areas to urban markets and the growing traffic congestion in the cities.



Meanwhile, the third quarter for the property development sector saw completion of its highly successful boutique gated community “the leaf”, while this month saw the launch of its 78-unit “Bahamas” phase of residential homes at *Samariang Aman 2*.

Adjacent to its 642-unit award-winning *Samariang Aman* estate, the Bahamas homes come in three variants: single-storey semi-Ds, single-storey terraced homes and double-storey terraced homes and have enjoyed strong sales.

On the Corporate Social Responsibility front, HSL held its annual Green Week in October and the office staff achieved a record collection of used goods both for distribution to the less fortunate and for recycling.

Now in its fifth year, HSL’s Green Week has gone from strength to strength and has inculcated in individual staff a sense of responsibility to care for the underprivileged member of the community and consider the preservation of the environment for future generations.

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Based in Sarawak, Malaysia, Hock Seng Lee Group is involved in marine engineering, civil engineering, building construction and property development. For further information see: www.hsl.com.my