



# HSL shows impressive results

*Profit for Sarawak's reclamation specialist up 97 percent*

***Issued for immediate release at 5pm, Thursday 22 May 2003***

Issued by Hock Seng Lee Berhad, Corporate Affairs Dept.

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

---

KUCHING — Following its Annual General Meeting (AGM) held here today, infrastructure company Hock Seng Lee Berhad (HSL) released strong first quarter results.

As one of Malaysia's leading marine engineering, civil engineering and construction firms, HSL announced earnings growth of 97% on the back of a turnover up 72% against 2002's first quarter.

The Group achieved profit before tax of RM6.05 million on revenue of RM58.65 million for the three months ended 31 March 2003. The corresponding figures for the same quarter of the previous year, 2002, were RM3.08 million and RM34.02 million respectively.

Group Managing Director Mr Paul Yu Chee Hoe attributed the impressive results to a bigger order book and to having several larger scale contracts, including turnkey works, underway.

"We are particularly pleased with the outcome this quarter as it is traditionally a tough period for the local construction industry with the festive seasons and high rainfall," said Mr Yu.



The results were a sound follow-up to HSL's annual financial results for the year ended 31 December 2002 in which the Group achieved a pre-tax profit of RM17.25 million on a turnover of RM189.61 million.

Projects in hand, which are valued at some RM750 million, will see HSL kept busy for at least two to three years.

Federal and State government policies, which continue to give priority to infrastructure development in Sarawak, augur well for HSL's prospects. Almost all construction projects along the swampy coast of Sarawak, where its urban centres are, require initial land reclamation works.

"Our marine engineering expertise is clearly apparent as sand fill works form a major component of most of the contracts in hand, even those which are road or building construction works," said Mr Yu.

"Our extensive experience, financial strength and vast in-house machinery portfolio, especially our dredging equipment, remain the keys to our commendable business performance," Mr Yu noted.

"These ingredients combine to give us our competitive edge. We can undertake larger, more technically demanding projects and also offer our public sector clients turnkey proposals with flexible financing options.

"We see this as the way forward and the means by which we can maintain HSL in a niche market situation," Mr Yu said.



HSL is the only Sarawakian company listed on the construction counter of KLSE Main Board.

Among the projects HSL presently has underway are the underpass/ overpass traffic intersection at Third Mile and Batu Kawa road upgrading works, Kuching; a long stretch of the Miri-Bintulu Road and earthworks for the Tj. Manis New Deep Sea Fishing Port, Mukah, Sarawak.

Also in progress are sand fill and infrastructure works for industrial estates such as Sama Jaya Free Industrial Zone, over 1000 new low cost homes in Kuching and numerous coastal roads and bridges throughout Sarawak.

Mr Yu indicated that while reclamation and infrastructure works will remain HSL's core strengths, the Group's property development arm was expected to continue its positive contribution to Group revenue as it pursues land banks for development.

At today's AGM, shareholders approved all resolutions including declaration of a first and final ordinary dividend for the year 2002 of 6 sen per share less 28% tax payable on 12 June 2003. Shareholders also renewed the Company's share buy back proposal. To date the Company has bought back 1,041,000 of its own shares.

**END**