



HONG LAI HUAT GROUP LIMITED

(Incorporated in the Republic of Singapore)

Reg. No. 199905292D

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FOR IMMEDIATE RELEASE

HONG LAI HUAT SIGNS THIRD STRATEGIC PARTNERSHIP WITH CAMBODIA HEI SHI MINERAL CO., LTD FOR THE EXPLORATION AND MINING OF MINERAL RESOURCES

- **Establishes joint venture for the exploration and mining under the construction material zone of Cambodia-Singapore Agriculture Hub in the Kingdom of Cambodia.**

SINGAPORE – 08 June 2021 - SGX mainboard-listed **Hong Lai Huat Group Limited** (“**Hong Lai Huat**” or the “**Company**”, together with its subsidiaries, the **Group**”) is pleased to announced today that the Group’s wholly-owned subsidiary, HLH Agriculture (Cambodia) Co., Ltd (“**HLHA**”) has entered into a Memorandum of Understanding (“**MoU**”) with Cambodia Hei Shi Mineral Co, Ltd. (“**CHSM**”) on an intended collaboration for the exploration and mining of mineral resources at the Cambodia-Singapore Agriculture Hub (“**Agri Hub**”) (Formally named “Aoral Eco-City”) with an estimated investment value of USD 20 million.

The MoU entails the following key areas which both HLHA and CHSM regard each other as a strategic partner and will focus on the following aspects within the next 3 months to enter into a binding agreement.

- 1) Establishing a joint venture (“JV”) company where HLHA will be responsible for providing the land and allocation of mining rights, while CHSM will leverage on their established mining track record to run the mining operations and be responsible for all costs incurred towards hiring sufficient skilled labour and personnel, machineries and technical supports, and developing infrastructures for mining operations within operation budget agreed between the parties.
- 2) HLHA shall be entitled to 60% of profit generated from the JV company. The term of JV shall be for a period of 10 years with an option to renew for further term subject to approval of HLHA.
- 3) To utilize the mineral resources found within the land for the construction of infrastructure, factories and buildings inside the Agri Hub which not only be beneficial to HLHA but also an important source for other future partners joining us in the project as well as to supply to the fast growing construction industry in the Kingdom of Cambodia.
- 4) This collaboration will also create more job opportunities for the Kingdom of Cambodia especially for the locals living in Aoral District, Kampong Speu Province.

Designated under the construction material zone of the Agri Hub, Cambodia Hei Shi Mineral Co, Ltd will be the third company to registered its interest to set up the base inside the largest integrated agriculture hub that Hong Lai Huat is developing in Aoral District, Kampong Speu Province, Cambodia following the successful signing with Joe Green back in April for the development of a light weight concrete panel manufacturing plant as well as the development of a 200 hectares solar energy farm with China Machinery Engineering Corporation in May 2021.

Cambodia Hei Shi Mineral Co, Ltd has been the leading companies in the granite industry since 2008 in the Kingdom of Cambodia, providing full-service quarry operation, natural mineral stone manufacturer and exporter, currently the company operates in five of the largest quarry in Cambodia and have several factories equipped with the latest cutting and polishing equipment technology.

Hong Lai Huat Group General Manager and Executive Director Mr Ong Jia Jing said, “The mining operations will be under the allocated construction material zone of the Agri Hub. As exquisite natural minerals have been found on our land such as marble and granite, this partnership will enable the Group to mine and supply these exquisite natural minerals to meet the market demand and to develop the infrastructures in Agri Hub. The mineral resources extracted shall also contribute immensely to the growth of the Group as well as our shareholders for many years to come.”

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About Hong Lai Huat

Hong Lai Huat Group Limited is a reputable real estate and property developer with 33 years of successful track record. Established since 1988, the Group has completed numerous projects in Singapore ranging from public and private residential developments, to commercial and industrial buildings. Some of its notable developments in Singapore include D'Ecosia, D'Fresco, D'Castilia, D'Almira, D'Lithium, D'Kranji Farm Resort and D'Centennial.

In 2008, the Group diversified into the agricultural sector in Cambodia and had since completed the development of approximately 10,000 hectares farmland that cultivates fresh cassava, as well as a cassava starch production factory capable of producing 120 tons of starch on a daily basis.

The Group also expanded its property development in Cambodia with the successful launched of its first freehold mixed-use project – D'Seaview which is one of the first and largest mixed-use developments in Sihanoukville, D'Seaview comprising 737 residential units and 67 commercial units. The construction of the entire project is completed in FY2019.

Following the success of D'Seaview, the Group launched its second freehold mixed-use project Royal Platinum in FY2019 in Toul Kwok district, Phnom Penh, the capital city of Cambodia. Located just 20 minutes away from Phnom Penh International Airport, this project comprises 851 residential and 50 commercial units. Construction works began in May 2020.

Hong Lai Huat Group Limited was listed on the Mainboard of the Singapore Stock Exchange on 21 June 2000.

For more information, please visit: <https://honglaihuatgroup.com/>