



MEDIA RELEASE
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BBR Holdings records S\$301.7 million revenue for the 9 months ended 30 September 2015

Highlights:

- Stronger gross profit margin at 6% for 9M2015
- Net asset value at S\$132.2 m or 42.93 cents per share
- Healthy order book of S\$515 million

SINGAPORE, 6 November 2015 – Mainboard-listed BBR Holdings (S) Ltd (BBR控股) (BBR or the Group) records S\$301.7 million in revenue for the nine months ended 30 September 2015 (9M2015), a 40% decline as compared to the corresponding period in 2014 (9M2014). Net profit attributable to equity holders decreased from S\$11.6 million for 9M2014 to S\$2.0 million for 9M2015.

The decline in revenue for 9M2015 was due mainly to lower revenue recorded for the general construction and property development segments. With the completion of several major general construction projects at the end of 2014, the remaining projects under construction contributed to lower construction activities and revenue recognition for 9M2015. Construction at Bliss @Kovan was very active in 9M14 which accounted for the higher property development recognition in the corresponding period.

Chief Executive Officer Mr Andrew Tan (陈庆辉) said, “*Amid the challenging environment, we have braced ourselves for future growth by investing in Pre-finished Prefabricated Volumetric construction (PPVC) technology. In the pipeline, we target to launch The Wisteria, which is an integrated residential development in the heart of Yishun Avenue 4, in the first quarter of 2016.*”

Gross profit for 9M2015 decreased to S\$18.0 million from S\$24.4 million in 9M2014, mainly due to lower revenue. However, gross margin rose to 6.0% in 9M2015 as compared to 4.8% in 9M2014, mainly due to difference in project mix. In 9M15, the Group’s green technology segment achieved a healthy gross profit margin from its maiden revenue and gross profit contribution.

Financial Position

The financial position of the Group continues to be stable. Net assets stood at S\$132.2 million as at 30 September 2015, as compared to S\$134.3 million as at 31 December 2014.

Cash and cash equivalents, and pledged deposits, decreased to S\$21.6 million as at 30 September 2015 from S\$44.6 million as at 31 December 2014, mainly attributable to purchase of property, plant or equipment, loans to a joint venture to partially finance land and development costs for a mixed residential and commercial development in Yishun, and net cash outflows from operating activities. The disbursements were partially offset by funds from long-term loans, working capital loans and loan repayments by an associate.

Current and non-current trade and other payables decreased to S\$78.0 million as at 30 September 2015 from S\$99.6 million as at 31 December 2014, mainly due to decreased project costs as a result of lower general construction work volume.

Market capitalisation was at S\$61.0 million based on the closing share price of 19.8 Singapore cents as at 6 November 2015.

Business Outlook

On 14 October 2015, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 1.4 per cent on a year-on-year basis in the third quarter of 2015, easing from the 2.0 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 0.1 per cent, a reversal from the 2.5 per cent contraction in the preceding quarter. The construction sector expanded by 1.6 per cent on a year-on-year basis in the third quarter, moderating from the 2.0 per cent growth recorded in the previous quarter. The slowdown was mainly due to weaker private sector construction activities. On a quarter-on-quarter seasonally-adjusted basis, the sector contracted by 0.8 per cent, a reversal from the 12.4 per cent expansion in the preceding quarter.

The industry outlook remains challenging in the next 12 months with increasing competition and manpower shortages. The Group will continue to focus on its core business by leveraging its strong track record in building construction and civil engineering to secure more projects as well as enhancing cost effectiveness and efficiency optimisation in the management of on-going projects. BBR will also continue to conduct feasibility studies to undertake new property development projects.

As at the date of this announcement, the Group has an order book of approximately S\$515 million in respect of construction projects, predominantly in Singapore and Malaysia.

Please refer to **ANNEX 1** for projects update.

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About BBR Group (www.bbr.com.sg)

The BBR Group (BBR控股) is one of Singapore's leading construction groups with more than 20 years of industry experience and businesses spanning across General Construction, Specialised Engineering, Property Development and Green Technology.

Established in 1993, the Group today has a presence in Singapore, Malaysia and the Philippines. Its General Construction activities are mainly undertaken through its wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited (Singapore Piling), a company it acquired in 2001. Singapore Piling has a more than 40-year history and has been registered with the Building and Construction Authority of Singapore under the "A1" classification since 1984. Its Specialised Engineering arm is part of the BBR Network that spans 50 countries.

BBR's Property Development projects are as follows: Lush on Holland Hill, a freehold development with 56 spacious units in two 12-storey blocks completed in 2012; Bliss @Kovan, another freehold site to be developed into a five-storey condominium with superior design elements consisting of 140 units; 8 Nassim Hill, an upmarket development comprising 16 super luxury triplex units with basement carparks completed in 2010; Lake Life, a proposed development for 546 units of executive condominium on a 99-year leasehold HDB land site at Yuan Ching Road/Tao Ching Road, Jurong; and a 99-year leasehold land parcel at Yishun Ave 4 secured in January 2015 for a proposed mixed commercial and residential property development.

The Group was listed on the Singapore Exchange Sesdaq in 1997 and was subsequently upgraded to the Mainboard in September 2006.

Issued on behalf of BBR Holdings (S) Ltd by Waterbrooks Consultants Pte Ltd

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ANNEX 1: Projects Update

1) Specialised Engineering & General Construction Segments

Currently, BBR is working on a number of civil engineering and building projects from both the public and private sectors in Singapore as well as Malaysia. These include:

- supply and install modular units using Pre-fabricated Pre-finished Volumetric Construction (PPVC) at Nanyang Crescent, Nanyang Technological University (Western Water Catchment). The project is scheduled to be completed in the second quarter of 2017;
- two contracts worth RM335 million for specialised engineering projects in Terengganu. The first is the design and construction of the Gawi Marine Base and the bridge connecting to Pulau Poh in Kenyir Lake in Terengganu. The second project comprises the design and construction of a 362 metre long girder bridge to connect the village of Dusun to the village of Dura in Terengganu;
- a S\$196 million contract to construct green Halls of Residence at Nanyang Technological University using PPVC, scheduled for completion in the second half of 2016;
- a S\$80.3 million Walk2Ride programme awarded to a joint venture, Singapore Piling – Shincon JV by the Land Transport Authority (LTA) to design and construct covered linkways within 400 m radius of MRT stations, expected to be completed in 2018. BBR's wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited has a 51% share in the joint venture;
- two contracts totalling RM76.45 million to construct and complete the facilities works for the Kelana Jaya LRT Line Extension Project, Package A and B, in Kuala Lumpur, Malaysia, which are expected to be completed in the second half of 2015;
- a S\$79.8 million contract secured from the LTA to widen Keppel Viaduct targeted to be completed in the first half of 2016;
- a S\$108 million contract from the HDB to build 808 HDB flats at Kallang Whampoa C23B due to be completed by end 2015;

- a S\$102.8 million contract to build 755 HDB flats at Kallang Whampoa C28B due to be completed by the second quarter of 2016;
- two contracts worth RM286 million to build two bridges in Terengganu and Sarawak in Malaysia, which are due to be completed at the end of 2016;
- a contract for the construction and maintenance of a mixed-use development at The Springside at Jalan Ulu Seletar/Sembawang Road, Singapore due to be completed by the first half of 2016; and
- design and build contract for the construction of Wisteria Mall and The Wisteria (apartments) in Yishun Ave 4 for S\$116 million, expected to be completed in the second half of 2018. BBR has an effective equity interest of 25% in this development via a joint venture with a consortium of partners.

2) Property Development Segment

For its property development business, BBR is currently involved in three projects:

- **Bliss@Kovan** is a freehold site on Simon Lane, Singapore that is under construction and is to be developed into a five-storey condominium with superior design elements consisting of 140 units;
- **Lake Life**, a 99-years leasehold executive condominium consisting of 546 units which will offer modern and lifestyle design features at Yuan Ching Road/Tao Ching Road, Jurong, Singapore. BBR has a 35% interest in this development; and
- **The Wisteria** and **Wisteria Mall**, a proposed mixed residential and commercial development, respectively on a 99-years leasehold site at Yishun Avenue 4. There will be 216 units of apartments and the mall will provide convenience and amenities such as shops, restaurants, a supermarket and food court to residents in the development. BBR has a 25% effective interest in this development.

3) Green Technology Segment

The Group is executing a 20-year solar leasing contract from HDB for the design, installation, operation and maintenance of a 5MWp grid-tied solar photovoltaic system to be installed in Ang Mo Kio Town. Construction is ongoing and final commissioning is expected in first quarter of 2016.