



Media Release

For Immediate Release

BBR Holdings revenue increased to S\$182.5m for the first six months of FY2013

- 1H2013 revenue increased 18.9% compared to last year
- General construction and specialised engineering driving growth
- Solid financial standing

SINGAPORE, 6 August 2013 – MAINBOARD-LISTED BBR Holdings (S) Ltd (BBR 控股) (BBR or the Group) has posted revenue of S\$182.5 million and a net profit attributable to equity holders of S\$4.8 million for the six months ended 30 June 2013 (6M13). For the period under review, the earnings per share of the Group attributable to shareholders stood at 0.91 Singapore cents.

In 6M13, the Group achieved a 18.9% growth in revenue to S\$182.5 million from S\$153.4 million in the same period last year (6M12). The growth was mainly attributable to higher revenue recognised from general construction and specialised engineering projects that are in their active stage of construction, coupled with the commencement of construction for other major projects. The property development segment contributed less during the period, as revenue from Bliss @Kovan, a property development project, was low in 6M13 compared to strong revenue contribution from Lush on Holland Hill in 6M12.

Due to the different project mix, gross profits decreased to S\$14.0 million from S\$17.7 million in 6M12 while gross profit margins in 6M13 decreased to 7.7% from 11.6% in the previous corresponding period. The lower profit margins are largely attributable to the general construction projects. In addition, property development profits from Bliss @Kovan has yet to be recognised, as the construction progress has not reached the active stage. However, the Group registered higher gross profits from specialised engineering projects in 6M13.

BBR's Chief Executive Officer, Mr Andrew Tan (陈庆辉) said: "Overall, we are pleased with the Group's performance as it is in line with our expectations. With the steady stream of building projects that have commenced work, as well as projects in their active stage of construction, we are on track regarding our profitability targets in FY13.

Amidst the challenges and stiff competition we are facing in this industry, we are also poised to capture project opportunities in the public and private sectors in Singapore and Malaysia. This can be achieved by leveraging on our core knowledge, technical skills and wide network."

Financial Position

As at 30 June 2013, the Group's financial position remains solid with net assets amounting to S\$108.6 million, which translates a net asset value per share of 35.45 Singapore cents.

Cash and cash balances, and pledged deposits totalling S\$45.5 million were slightly lower compared to S\$51.3 million as at 31 December 2012 as the Group paid out dividends to ordinary shareholders in May 2013, and reduced its leverage by repaying term loans for Bliss @Kovan.

The Group's total bank loans and borrowings collectively decreased by S\$2.7 million from 30 December 2012 to S\$56.9 million as at 30 June 2013 mainly due to term

loan repayments for Bliss @Kovan, partially offset by more short-term borrowings to purchase materials for major projects in progress in Malaysia.

Business Outlook

On 12 July 2013, the Ministry of Trade and Industry announced that based on advanced estimates, the economy grew by 3.7 per cent on a year-on-year basis in the second quarter of 2013, compared to 0.2 per cent in the preceding quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy grew by 15.2 per cent, faster than the 1.8 per cent growth in the previous quarter. The construction sector grew by 5.6 per cent on a year-on-year basis, compared to 6.8 per cent in the preceding quarter. On a quarter-on-quarter basis, the sector expanded by an annualised rate of 9.0 per cent, moderating from 14.3 per cent growth in the previous quarter.

In view of the estimated moderate growth of the construction sector in 2Q13, coupled with increasing competition and expected increase in labour costs due to foreign worker shortages, the outlook for the construction industry is expected to be challenging in the next 12 months.

“In order to remain competitive and relevant in the construction industry, we strive to constantly explore ways of enhancing cost effectiveness and optimising our efficiency levels. In addition, we see a positive growth trend in environmental-friendly buildings and we are steadily implementing green technology as part of our total solutions package for potential project bids.

As for our property development business, we will carry on with feasibility studies to identify good land plots for new property development projects in Singapore,” concluded Mr Tan.

As at the date of this announcement, the Group has an order book of approximately S\$1.06 billion, predominantly in Singapore and Malaysia. The Group expects to remain profitable for FY2013.

Update on Projects

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:

- a S\$153.1 million contract to design and construct a mixed-use development at Fusionopolis Place, scheduled for completion at the end of 2014;
- a S\$102.7 million contract to construct housing and sports facilities (Phase 1) for The Singapore University of Technology and Design at Changi, Singapore scheduled for completion in phases in third quarter 2013 and mid 2014;
- 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 first half of 2014;
- a S\$79.8 million contract secured from the Land Transport Authority (LTA) to widen Keppel Viaduct targeted to be completed in the first half of 2015;
- a S\$413.8 million construction contract awarded to a joint venture, Takenaka–Singapore Piling Joint Venture by the National Heritage Board to restore two iconic heritage monuments in the heart of the Civic District, the former Supreme Court and the adjacent City Hall targeted for completion in the second half of 2014. BBR's wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited has a 25 per cent share in the joint venture;
- a S\$139.6 million contract from the Urban Redevelopment Authority to construct Phase 3B (MC02) of the Proposed Common Services Tunnel at Marina Bay targeted for completion in the second half of 2014;
- a LTA contract worth S\$81.5 million to design and construct the Tai Seng Facility Building for the Downtown Line Project with completion in the fourth quarter of 2014;
- a S\$179 million contract from the Housing and Development Board (HDB) to construct 17 blocks of 1,386 new homes in Pasir Ris Neighbourhood 5 due to be completed in the second quarter of 2014;
- 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 for to be completed by the second quarter of 2016;
- a S\$74.9 million contract from the HDB to build 474 HDB flats at Sengkang Neighbourhood 2 due to be completed by the second quarter of 2015;
- a contract for Dulwich College, Singapore's first British independent school due to be completed by mid-2014;
- a 25,000 tonne silo construction job at Pulau Damar Laut due to be completed by end 2013; and
- two contracts worth RM286 million (approximately S\$116 million) to build two bridges in Terengganu and Sarawak in Malaysia, which are due to be completed at the end of 2015 and second quarter of 2016 respectively.

For its property development business, BBR is involved in three condominium projects. Lush on Holland Hill is a freehold development with 56 spacious units in two 12-storey blocks. It is fully sold and has obtained the Temporary Occupation Permit and Certificate of Statutory Completion in 2012. Bliss @Kovan is another freehold site that has commenced construction and is to be developed into a five-storey condominium with superior design elements consisting of 140 units. To date, 129 units have been sold. The Group has also jointly developed with Shing Kwan (Pte) Ltd an upmarket development comprising 16 super luxury triplex units with basement car parks at 8 Nassim Hill, of which only one is unsold.

BBR has just secured its fourth property development project on 2 August 2013. BBR, together with a consortium of investors have been awarded a land parcel with an area of 20,188 square metres at Yuan Ching/Tao Ching Road, Jurong by The Housing & Development Board for \$272.8 million. The site is proposed for development into an executive condominium of approximately 500 units that offers modern and lifestyle design features.

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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 and Property Development.

Established in 1993, the Group today has a presence in Singapore, Malaysia, Philippines and Thailand. 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 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.

For its Property Development business, the Group is involved in three condominium projects: 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; and 8 Nassim Hill, an upmarket development comprising 16 super luxury triplex units with basement car parks completed in 2010. BBR has just secured its fourth property development project on 2 August 2013 when it was awarded a land parcel by HDB at Yuan Ching/Tao Ching Road, Jurong to develop executive condominiums with a consortium of investors.

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

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