



MEDIA RELEASE
For Immediate Release

BBR Holdings achieves S\$82.1 million revenue in first quarter ended 31 March 2016

SINGAPORE, 12 May 2016 – MAINBOARD-LISTED BBR Holdings (S) Ltd (BBR 控股) (“BBR” or “the Group”) announced today that the Group has registered revenue of \$82.1 million in the first quarter of 2016 (“1Q16”), as compared with \$91.8 million for first quarter of 2015 (“1Q15”). The Group recorded a net loss attributable to equity holders of the Company of \$1.7 million in the current period from a net profit of \$0.8 million in 1Q15.

As revenue from property development for sold units was fully recognised in financial year 2015 after obtaining Temporary Occupancy Permit (“TOP”), lower Group revenue was recorded for 1Q16. However, this was partially offset by higher general construction revenue due mainly to certain projects being in their active stage of construction.

Gross profit for 1Q16 decreased to \$4.9 million from \$6.5 million for 1Q15, due mainly to absence of property development profit in 1Q16, and partially offset by gross profit contributed by the general construction segment. Gross margin for 1Q16 have decreased to 5.9% from 7.1% in 1Q15.

There was no significant contribution from associates in 1Q16 and 1Q15. Lakehomes Pte Ltd (“Lakehomes”), an associate 35% owned by the Group, is the developer for Lake Life Executive Condominium in Jurong Lake district. Construction at the development is approximately 70% completed with 98% of the units sold as at 31 March 2016. However, Lakehomes is unable to progressively recognise revenue and profits from the sales until the development achieves TOP, in accordance to the financial accounting standards for Executive Condominium

development. TOP is expected to be obtained in the last quarter of the current financial year.

Financial Position

The financial position of the Group continues to be stable. Net assets stood at \$131.7 million as at 31 March 2016, as compared to \$132.8 million as at 31 December 2015.

Cash and cash equivalents and pledged deposits rose to \$47.0 million as at 31 March 2016 compared with \$29.2 million as at 31 December 2015, largely due to increase in cash generated from operating activities, mainly from trade receivable collections and progress claims in excess of construction costs for work-in-progress in the current quarter, and partially offset by payments to trade payables.

Business Outlook

On 14 April 2016, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 1.8 per cent on a year-on-year basis in the first quarter of 2016, the same pace of growth as in the previous quarter. Growth was flat on a quarter-on-quarter seasonally-adjusted annualised basis, in contrast to the 6.2 per cent expansion in the preceding quarter. The construction sector expanded by 6.2 per cent on a year-on-year basis in the first quarter, an improvement from the 4.9 per cent growth recorded in the previous quarter. The stronger growth in the sector was supported by both public and private sector construction activities. On a quarter-on-quarter seasonally-adjusted annualized basis, the sector grew by 10.2 per cent, accelerating from 6.0 per cent growth in the preceding quarter.

The industry outlook remains challenging in the next 12 months with increasing competition and anticipated increase in labour cost due to short supply of foreign workers. 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 \$360 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 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.

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 which has been developed into a five-storey condominium with superior design elements consisting of 140 units and completed in November 2015; **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 **The Wisteria** and **Wisteria Mall**, a proposed mixed residential and commercial property development on a 99-year leasehold land parcel at Yishun Ave 4.

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-finished Prefabricated 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 approximately 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 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;
- 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 two projects:

- **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 the second quarter of 2016.