



MEDIA RELEASE
For Immediate Release

BBR Holdings recorded S\$40.7 million revenue for the first quarter ended 31 March 2018

SINGAPORE, 7 May 2018 – MAINBOARD-LISTED BBR Holdings (S) Ltd (BBR 控股) (“BBR” or “the Group”) announced today that the Group has registered revenue of S\$40.7 million for the first quarter ended 31 March 2018 (“1Q2018”), as compared with S\$29.5 million for the first quarter ended 31 March 2017 (“1Q2017”).

Gross profit decreased by 23.7% from S\$4.9 million in 1Q2017 to S\$3.7 million in 1Q2018. Gross profit margin was reduced from 16.5% to 9.1% due to different project mix and generally more competitive margins in this current quarter.

Share of results of associates which comprised mainly the Group’s share of profits from the sale of Lake Life Executive Condominium was S\$86,000 in the current quarter versus S\$5.8 million in 1Q2017 as most of the development profits had already been recognised by the last financial year.

The Group reported a net loss attributable to equity holders of S\$1.6 million in the first quarter of 2018 as compared to a net profit of S\$4.9 million in the same quarter in 2017.

Mr Andrew Tan, BBR’s Chief Executive Officer, said, “The construction sector in Singapore remains weak and tenders are challenging with competitive bid prices. The Group will focus on its core competency, stay vigilant on costs and continue to participate in tenders for new projects.”

Financial Position

The financial position of the Group continues to be stable. Net assets stood at S\$136.7 million as at 31 March 2018. Net asset value per share stands at 42.35 cents.

The Group's cash position remained healthy at S\$28.3 million as at 31 March 2018. Cash and cash equivalents and pledged deposits stood at S\$33.4 million as at 31 March 2018 compared with S\$35.4 million as at 31 December 2017.

Business Outlook

On 13 April 2018, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 4.3 per cent on a year-on-year basis in the first quarter of 2018, higher than the 3.6 per cent growth in the fourth quarter of last year. The construction sector contracted by 4.4 per cent on a year-on-year basis in the first quarter, extending the 5.0 per cent decline in the previous quarter. The weak performance of the sector was due to a fall in both private sector and public sector construction activities.

The industry outlook remains challenging in the next 12 months with increasing competition, labour shortages and rising business costs. Although the construction demand is expected to improve due to the anticipated increase in public sector projects, the construction sector currently remains weak. With intense competition, tenders will continue to be challenging in the near term and bid prices will remain competitive at compressed margins.

The Group will continue to focus on its core businesses 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.

The Group will continue to explore business opportunities both locally and in the region to maintain and sustain its long term growth.

As at the date of this announcement, the Group has an order book of approximately S\$184 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 Engineering & Construction Pte. Ltd. ("SEC"), a company it acquired in 2001. SEC 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; **LakeLife**, a 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:

- a S\$57.6 million contract to design, fabricate and install four blocks of housing at Upper Aljunied Road using Pre-fabricated, Pre-finished Volumetric Construction (PPVC) modular system, due to be completed in the first half of 2018;
- the design and construction of the Gawi Marine Base and bridge connecting to Pulau Poh in Kenyir Lake in Terengganu, which is expected to be completed in the second half of 2018;
- 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 Engineering & Construction Pte. Ltd. (formerly known as Singapore Piling & Civil Engineering Private Limited) has a 51% share in the joint venture;
- development and upgrading of the proposed Pan Borneo Highway in the state of Sarawak comprising construction works at the Bakun Interchange, Suai Interchange, Niah Interchange and Niah Bridge of Work Package 10. This project is scheduled to be completed at the end of 2019; 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 early 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:

- The **Goh & Goh Building** is a freehold building situated at the intersection of Jalan Jurong Kechil and Upper Bukit Timah Road which was acquired in September 2017 by the Group for re-development purpose. The Group is progressing on track to re-develop the 2,868.3 sqm freehold property with a plot ratio of 3.0. into a mixed commercial and residential development project.
- **The Wisteria** and **Wisteria Mall** is a proposed mixed residential and commercial development, respectively, on a 99-years leasehold site at Yishun Avenue 4. There are 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.