



MEDIA RELEASE
For Immediate Release

BBR Holdings recorded S\$11.2 million in profits for the full year ended 31 December 2014

Highlights

- Order book of approximately S\$631 million
- Dividend of 0.8 cent per share
- Net asset value per share at 43.61 cents

SINGAPORE, 16 February 2015 – MAINBOARD-LISTED BBR Holdings (S) Ltd (BBR 控股) (“BBR” or “the Group”) announced today that the Group has recorded a revenue increase of 57.6% to S\$671.6 million for FY2014 from S\$426.3 million for FY2013. Net profit attributable to equity holders of the Company decreased to S\$11.2 million in the current year from S\$21.8 million in FY2013.

The Board of Directors recommends a first and final (tax-exempt one-tier) dividend of 0.8 cents per share for approval by shareholders at the forthcoming annual general meeting.

BBR’s Chief Executive Officer, Mr Andrew Tan (陈庆辉) said: “The year has posed key business challenges in terms of labour shortage, increased foreign labour levies as well as persisting impact of property curbing measures.

On a positive note, the Group has successfully strengthened its core engineering competencies by investing in Pre-fabricated Pre-finished Volumetric Construction (PPVC) method and has secured a project to construct green Halls of Residence at Nanyang Technological University using PPVC. Furthermore, BBR will venture into its maiden mixed commercial and residential property development with several joint venture partners at the newly-acquired land parcel in Yishun Ave 4. This will broaden BBR’s credentials in property development and gear us up for a wider range of multi-purpose development projects in future.

Likewise, its new growth engine, Green Technology, has also successfully secured a number of contracts for the installation of solar photovoltaic systems for both private and public sectors in Singapore.”

The increase in revenue for FY2014 was attributable to higher revenue across general construction, specialised engineering and property development segments, with general construction being the largest contributor. Many general construction projects were in their active stage of construction in FY2014 and construction activity at development property, Bliss@Kovan has also increased in the current year. Moreover, the volume of specialised projects carried out in Malaysia for FY2014 has more than doubled from FY 2013 to S\$100.6 million.

Gross profit for FY2014 decreased to S\$28.7 million from S\$43.6 million in FY2013, largely weighed down by losses incurred by certain general construction projects, which is partially offset by higher profit contribution by the property development segment. A few general construction projects sustained losses from cost overruns for some key construction materials, work performance issues by subcontractors and higher manpower costs due to labour shortages, as well as to expedite project completion.

Conversely, construction progress at development property, Bliss @Kovan has improved in FY2014 over FY2013, which contributed to higher profits in the current year.

Overall Group's gross margin stood at 4.3% in FY2014 compared to 10.2% a year ago, the decline due mainly to project losses recognised by the general construction segment.

Financial Position

The Group's financial position continues to be strong. Net assets stood at S\$134.3 million as at 31 December 2014, a 7% increase from S\$125.7 million as at 31 December 2013. Net asset value per share was 43.61 cents as compared to 40.98 cents at 31 December 2013. Earnings per share decreased to 3.66 cents as compared to 7.13 cents in the previous year.

Cash and cash equivalents, and pledged deposits, increased to S\$44.6 million as at 31 December 2014 from S\$23.7 million as at 31 December 2013, mainly attributable to cash received from operations, proceeds from disposal of leasehold property and an associate, and partially offset by term loan repayments in FY2014.

Market capitalisation was approximately S\$78.6 million based on the closing share price of 25.5 Singapore cents as at 16 February 2014.

Business Outlook

Based on the advance estimates announced by the Ministry of Trade and Industry on 2 January 2015, the Singapore economy grew by 1.5 per cent on a year-on-year basis in the fourth quarter of 2014, compared to 2.8 per cent in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded by 1.6 per cent, slower than the 3.1 per cent expansion in the previous quarter. The construction sector grew by 0.8 per cent on a year-on-year basis, moderating from the 1.3 per cent growth in the previous quarter. Growth was supported mainly by public sector construction activities. On a quarter-on-quarter basis, the sector expanded at an annualised rate of 8.0 per cent, an improvement from the 0.1 per cent expansion in the previous quarter.

The industry outlook remains challenging in the next 12 months with increasing competition and an expected increase in labour cost due to higher foreign worker levies and a short supply of foreign workers. The Group will continue to focus on its core business by leveraging on its strong track record in building construction and civil engineering to secure more projects as well as enhance its 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.

To date, the Group has a net order book of approximately S\$631 million in respect of construction projects, predominantly in Singapore and Malaysia.

Please refer to ANNEX 1 for projects update.

This press release should be read in conjunction with the full SGX announcement released by BBR on 16 February 2015. A copy of the announcement is available on www.sgx.com.

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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 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 new 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:

- two new contracts worth RM 335 million for specialised engineering projects in Terengganu. The first is the design and construct 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, 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 Land Transport Authority (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;
- 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;
- 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 2015 and second quarter of 2016 respectively; and
- 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 second half of 2015.

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, the development has sold 133 units to date;
- BBR has formed an associate company with a consortium of investors to develop **Lake Life**, an executive condominium consisting of 546 units which will offer modern and lifestyle design features at Yuan Ching Road/Tao Ching Road, Jurong, Singapore, 98% of the development was sold on launch date in November 2014; and
- BBR, with a consortium of investors, has put in the winning bid for a land parcel at Yishun Avenue 4 for a proposed mixed commercial and residential development. The 99-years leasehold site has an area of approximately 9,759.8 square metres, and was awarded by The Housing & Development Board on 26 January 2015 for S\$185,090,000.

3) Green Technology Segment

The Group is constructing the following solar projects:

- 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; and
- a 25-year solar leasing contract from GKE Warehousing & Logistics Pte Ltd for the design, installation and maintenance of a 490KWp grid-tied solar photovoltaic system at Pioneer Road, Singapore