

SURBANA JURONG PRIVATE LIMITED AND ITS SUBSIDIARIES RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Good growth on prior year

Financial Highlights For the year ended 31 December 2019		
(S\$'000)	2019	2018
Revenue	1,677,338	1,547,717
Gross Profit	427,070	385,028
Results from operating activities	79,733	57,734
Net finance costs	(12,763)	(15,424)
Share of profit of associates & JV	285	2,015
Profit before tax	67,255	44,325
Tax expense	(29,435)	(22,289)
Profit for the year	37,820	22,036
EBITDA	*154,719	93,944

* Excluding the effects of SFRS(I) 16 initial adoption, 2019 EBITDA was S\$111.7 million

Overview of results

- **Revenue grew 8% year-on-year to S\$ 1.7 billion.**
- **2019 EBITDA was S\$ 154.7 million.** Excluding the effects of SFRS(I) 16 initial adoption, EBITDA grew 19% year-on-year to S\$111.7 million.
- Earnings visibility from commendable **work-in-hand of S\$2.5 billion** as at 31 Dec 2019 (31 Dec 2018: S\$2.5 billion; 31 Dec 2017: S\$2.0 billion).
- Resilient balance sheet position with **net assets of S\$899 million.**
- **Positive operating cashflow of S\$161 million** from 2019 operating results.
- **Net Debt of S\$344.8 million.** Excluding the effects of SFRS(I) 16 initial adoption, **Net Debt improved to S\$206.0 million** (2018: S\$254.2 million).
- Key credit ratios remain relatively consistent:

Key Credit Ratios	FY19	FY18	FY17
Net Debt / Total Capitalisation ¹	0.21x ¹	0.22x	0.22x
EBITDA / Interest Expense	5.0x ²	5.1x	6.0x
Net Debt / EBITDA	2.2x ³	2.7x	2.7x

¹ Total capitalisation = Total Debt + Equity. Excluding effects of SFRS (I) 16 initial adoption, Net Debt / Total Capitalisation ratio would have been 0.14x

² Excluding effects of SFRS (I) 16 initial adoption, EBITDA / Interest Expense ratio would have been 4.9x

³ Excluding effects of SFRS (I) 16 initial adoption, Net Debt / EBITDA ratio would have been 1.8x

- Improved net profit after tax mainly driven by (i) strong performance across all business units; (ii) positive contribution from acquisitions made during 2018 and 2019; and (iii) positive returns from debt investment.

Group CEO statement on FY2019 performance

Dear Investor,

2019: Delivering sustainable growth

Surbana Jurong delivered a fifth consecutive year of revenue growth in FY2019. We ended the year on a strong note, recording creditable growth in both revenue and profit. The group recorded S\$1.7 billion in revenue, representing an 8 per cent (%) year-on-year growth. We achieved S\$111.7 million in EBITDA (excluding effects of SFRS(I) 16 initial adoption), an increase of 19 per cent (%) year on year. Our balance sheet remains resilient, showing strong operating cashflows and maintaining healthy key credit ratios. These results are the outcome of the strong performance of all our business units, positive contributions from acquisitions made during 2018 and 2019 and solid returns from debt investment. Importantly, our strategy to have a management services pillar to complement our two consultancy pillars provided a stable and recurrent business portfolio for the group.

Our strong performance in FY2019 put us in good stead entering FY2020. Amidst COVID-19, teams around the world are working continuously to fulfil crucial projects, carrying out our motto, “Building cities, shaping lives” in the process. The demand we are seeing for our expertise in planning, designing and engineering for a post-crisis world is increasing, albeit cautiously. Governments and organisations are consulting us on retrofitting buildings for care and recovery facilities as well as redesigning spaces for safety as people return to the workplace and resume activities.

At the same time, our investments in digital technology have enabled us to continue working virtually and collaboratively to fulfil our commitments to clients. Surbana Jurong is the first consultancy in Asia to be awarded the ISO 19650 accreditation for the digitisation of design and engineering data for buildings and civil engineering works, including building information modelling (BIM).

The crisis has created headwinds for governments and businesses across the globe. It is a time of great challenge and uncertainty, and Surbana Jurong Group is responding by adapting our offerings and ensuring we stay relevant to our clients. We are pursuing new businesses to emerge stronger from the crisis, be a vanguard for change in the built environment and deliver sustainable returns to our investors. Thank you for your investment in and support of Surbana Jurong.

Yours faithfully,
Wong Heang Fine
Group CEO
Surbana Jurong

SURBANA JURONG PRIVATE LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT

	2019 S\$'000	2018 S\$'000
Revenue	1,677,338	1,547,717
Cost of sales	(1,250,268)	(1,162,689)
Gross Profit	427,070	385,028
Other income	17,578	14,359
Administrative expenses	(352,104)	(326,539)
Other expenses	(12,811)	(15,114)
Results from operating activities	79,733	57,734
Finance income	20,789	4,003
Finance costs	(33,552)	(19,427)
Net finance costs	(12,763)	(15,424)
Share of profit of associates (net of tax)	305	527
Share of (loss)/ profit of joint ventures (net of tax)	(20)	1,488
Profit before tax	67,255	44,325
Tax expense	(29,435)	(22,289)
Profit for the year	37,820	22,036
Profit attributable to:		
Owner of the Company	36,117	20,756
Non-controlling interests	1,703	1,280
Profit for the year	37,820	22,036

SURBANA JURONG PRIVATE LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2019 S\$'000	2018 S\$'000
Assets		
Property, plant and equipment	68,699	72,789
Right-of-use assets	124,884	-
Intangible assets and goodwill	490,661	469,062
Associates and joint ventures	33,960	24,487
Other investments	307,681	9,552
Deferred tax assets	51,635	31,351
Derivative financial asset	1,030	1,005
Trade and other receivables	35	-
Non-current assets	1,078,585	608,246
Derivative financial asset	79	304
Inventories	1,408	1,137
Contract assets	347,228	292,884
Trade and other receivables	411,940	436,568
Cash and cash equivalents	362,080	318,504
Current assets	1,122,735	1,049,397
Total assets	2,201,320	1,657,643
Equity		
Share capital	934,813	634,813
Reserves	(55,674)	(58,336)
Equity attributable to owner of the Company	879,139	576,477
Non-controlling interests	20,065	17,802
Total equity	899,204	594,279
Liabilities		
Loans and borrowings	663,530	495,364
Trade and other payables	21,309	8,831
Derivative financial liabilities	10,142	5,735
Provisions	2,433	2,122
Deferred tax liabilities	37,256	23,618
Non-current liabilities	734,670	535,670
Loans and borrowings	43,394	77,343
Trade and other payables	331,319	289,050
Contract liabilities	136,235	112,783
Derivative financial liabilities	197	257
Provisions	39,269	32,250
Current tax liabilities	17,032	16,011
Current liabilities	567,446	527,694
Total liabilities	1,302,116	1,063,364
Total equity and liabilities	2,201,320	1,657,643

About Surbana Jurong

Surbana Jurong Group is a global urban, infrastructure and managed services consulting firm, with over 70 years of track record in successful project delivery. Headquartered in Singapore, the group has a global talent pool of 16,500 across Surbana Jurong and our member companies AETOS, B+H, KTP, Prostruct, RBG, SAA, Sino-Sun and SMEC, based in more than 120 offices in over 40 countries. They include architects, designers, planners, engineers and other specialists driven by progressive thinking and creative ideas to help shape a better future.

Our technical experts deliver sustainable solutions that cover the entire project life cycle from planning and design, through to delivery and management, as well as decommissioning and closure. We provide a full suite of multidisciplinary consultancy services across a diverse range of sectors that includes aviation, healthcare, hospitality, transport, water and environment as well as energy and resources.

Surbana Jurong has built more than a million homes in Singapore, created master plans for more than 30 countries and developed over 100 industrial parks globally. Our tag line “Building Cities, Shaping Lives” expresses how every project or undertaking is, for the Group, an opportunity to fulfil aspirations and enrich lives. By designing and delivering quality housing, work spaces, roads, rail, hydropower, dams, underground and coastal protections and other critical infrastructure needed by our clients, we are redefining cities and transforming them into sustainable and liveable spaces where communities and businesses, present and future, can thrive.

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