



Financial Statement for the Second Quarter and Half Year Ended 30 June 2016

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement with a consolidated statement of comprehensive income for the Group together with a comparative statement for the corresponding period of the immediate preceding financial year.

	Second quarter ended 30 June			Half Year ended 30 June		
	2016 S\$'000	2015 S\$'000	Change %	2016 S\$'000	2015 S\$'000	Change %
INCOME STATEMENT						
Revenue	73,244	106,882	(31.5)	155,337	198,679	(21.8)
Cost of sales	(71,308)	(101,790)	(29.9)	(148,540)	(187,065)	(20.6)
Gross profit	1,936	5,092	(62.0)	6,797	11,614	(41.5)
Other operating income	801	642	24.8	1,360	1,796	(24.3)
Other (expense)/income	(54)	(88)	(38.6)	(358)	44	N.M.
Administrative costs	(1,954)	(1,808)	8.1	(3,923)	(3,952)	(0.7)
Other operating costs	(3,664)	(3,193)	14.8	(7,939)	(7,561)	5.0
Finance costs	(130)	(69)	88.4	(264)	(141)	87.2
Share of results of joint ventures	210	(315)	N.M.	(92)	(315)	(70.8)
Share of results of associates	41	47	(12.8)	120	58	106.9
(Loss)/profit before taxation	(2,814)	308	N.M.	(4,299)	1,543	N.M.
Income tax expense	(355)	(174)	104.0	(592)	(433)	36.7
(Loss)/profit for the period	(3,169)	134	N.M.	(4,891)	1,110	N.M.
Attributable to:						
Equity holders of the Company	(3,311)	40	N.M.	(4,993)	888	N.M.
Non-controlling interests	142	94	51.1	102	222	(54.1)
	(3,169)	134	N.M.	(4,891)	1,110	N.M.

N.M. - Not meaningful

	Second Quarter Ended 30 June			Half Year ended 30 June		
	2016 S\$'000	2015 S\$'000	Change %	2016 S\$'000	2015 S\$'000	Change %
STATEMENT OF COMPREHENSIVE INCOME						
(Loss)/profit for the period	(3,169)	134	N.M.	(4,891)	1,110	N.M.
Other comprehensive income:						
Foreign currency translation differences	(410)	(290)	41.4	290	(676)	N.M.
Other comprehensive income for the period	(410)	(290)	41.4	290	(676)	N.M.
Total comprehensive income for the period	(3,579)	(156)	N.M.	(4,601)	434	N.M.
Total comprehensive income attributable to:						
Equity holders of the Company	(3,639)	(166)	N.M.	(4,751)	346	N.M.
Non-controlling interests	60	10	500.0	150	88	70.5
	<u>(3,579)</u>	<u>(156)</u>	N.M.	<u>(4,601)</u>	<u>434</u>	N.M.

NOTES TO INCOME STATEMENT

The following items have been included in arriving at (loss)/profit for the period:

Depreciation of property, plant and equipment	1,381	1,123	23.0	2,724	2,707	0.6
Foreign exchange loss/(gain)	193	88	119.3	252	(44)	N.M.
Gain on disposal of property, plant and equipment	(50)	(47)	6.4	(74)	(52)	42.3
Interest expense	130	69	88.4	264	141	87.2
Interest income	(252)	(29)	N.M.	(465)	(64)	N.M.
Allowance for doubtful receivables (net)	35	46	(23.9)	49	11	345.5
Fair value (gain)/loss on derivative	(139)	-	N.M.	106	-	N.M.
Impairment loss for inventories	371	-	N.M.	371	-	N.M.
Write-off of trade payables	-	-	-	-	(87)	(100.0)
Underprovision of income tax in respect of previous years	2	-	N.M.	98	-	N.M.

N.M. - Not meaningful

1(b)(i) A statement of financial position (for the issuer and Group) together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30-Jun-16 S\$'000	31-Dec-15 S\$'000	30-Jun-16 S\$'000	31-Dec-15 S\$'000
Non-current assets				
Property, plant & equipment	45,653	44,258	19,306	20,171
Intangible assets	434	419	-	-
Investments in subsidiaries	-	-	57,197	56,099
Investments in associates	1,034	1,115	260	260
Investments in joint ventures	-	-	-	-
Deferred tax assets	735	735	-	-
Trade receivables	4,483	7,520	-	-
Loans to an associate	19,976	19,257	-	-
Loans to a joint venture	18,194	17,360	-	-
Current assets				
Amounts due from subsidiaries	-	-	12,615	12,858
Properties held for sale	8,395	8,395	-	-
Gross amount due from customers for work-in-progress	11,692	30,532	-	-
Inventories	8,206	10,156	-	-
Trade receivables	102,719	113,617	-	-
Other receivables	2,273	3,393	632	291
Pledged deposits	4,792	5,275	-	-
Cash and cash equivalents	33,446	23,935	863	1,226
	171,523	195,303	14,110	14,375
Current liabilities				
Amounts due to subsidiaries	-	-	16,402	12,490
Gross amount due to customers for work-in-progress	47,022	28,968	-	-
Trade and other payables	49,435	80,582	263	279
Other liabilities	3,117	2,661	488	677
Loans and borrowings	5,027	12,591	1,287	3,109
Income tax payable	525	640	110	-
	105,126	125,442	18,550	16,555
Net current assets/(liabilities)	66,397	69,861	(4,440)	(2,180)
Non-current liabilities				
Trade payables	7,793	8,180	-	-
Deferred tax liabilities	4,960	4,864	-	-
Loans and borrowings	15,541	12,137	10,318	10,557
	128,612	135,344	62,005	63,793
Equity attributable to equity holders of the Company				
Share capital	43,967	43,967	43,967	43,967
Treasury shares	(69)	(69)	(69)	(69)
Retained earnings	83,456	91,167	18,107	19,895
Foreign currency translation reserve	(2,015)	(2,257)	-	-
	125,339	132,808	62,005	63,793
Non-controlling interests	3,273	2,536	-	-
Total equity	128,612	135,344	62,005	63,793

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 30/06/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
S\$3,027,000	S\$2,000,000	S\$8,591,000	S\$4,000,000

Amount repayable after one year

As at 30/06/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
S\$15,541,000	-	S\$12,137,000	-

Details of any collateral

The secured borrowings repayable within one year and after one year comprise mainly obligations under finance leases, banker's acceptances and property loans. These are secured by charges over land and building, plant and equipment, motor vehicles, trade receivables and fixed deposits.

1(c) A consolidated statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Second quarter ended 30 June		Half Year ended 30 June	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Cash flows from operating activities				
(Loss)/profit before taxation	(2,814)	308	(4,299)	1,543
Adjustments for:				
Depreciation of property, plant and equipment	1,381	1,123	2,724	2,707
Allowance for doubtful receivables (net)	35	46	49	11
Write-off of trade payables	-	-	-	(87)
Interest income	(252)	(29)	(465)	(64)
Interest expense	130	69	264	141
Fair value (gain)/loss on derivative	(139)	-	106	-
Impairment loss for inventories	371	-	371	-
Gain on disposal of property, plant and equipment	(50)	(47)	(74)	(52)
Share of results of joint ventures	(210)	315	92	315
Share of results of associates	(41)	(47)	(120)	(58)
Net effect of exchange rate changes in consolidating subsidiaries	(474)	(353)	325	(693)
Operating cash flows before working capital changes	(2,063)	1,385	(1,027)	3,763
Decrease/(increase) in development properties	-	92	-	(4,854)
Increase/(decrease) in amount due to customers for work-in-progress (net)	19,456	(7,846)	36,729	(1,263)
(Increase)/decrease in trade receivables	(10,395)	6,089	14,183	23,924
Decrease/(increase) in other receivables	561	(2,247)	1,128	(3,251)
Decrease/(increase) in inventories	717	(961)	1,625	(932)
Decrease in trade and other payables	(8,330)	(2,586)	(31,710)	(26,656)
(Decrease)/increase in other liabilities	(1,036)	(362)	(312)	1,059
Cash (used in)/from operations	(1,090)	(6,436)	20,616	(8,210)
Interest paid	(186)	(160)	(369)	(353)
Interest received	131	29	217	64
Income tax (paid)/refund	(266)	562	(611)	232
Net cash (used in)/from operating activities	(1,411)	(6,005)	19,853	(8,267)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	135	67	159	72
Purchase of property, plant and equipment (Note A)	(1,246)	(1,529)	(4,003)	(2,903)
Dividend income from an associate	-	-	-	4,800
Distribution of profits from a joint venture	267	-	395	-
Net cash outflow on acquisition of non-controlling interests	(899)	-	(899)	-
Net cash inflow on acquisition of a subsidiary (Note B)	27	-	27	-
Investment in a joint venture	-	-	-	(250)
Net cash (used in)/from investing activities	(1,716)	(1,462)	(4,321)	1,719
Cash flows from financing activities				
Dividends paid on ordinary shares	(1,232)	(2,464)	(1,232)	(2,464)
(Repayment of)/proceeds from bank borrowings, net	(2,963)	8,411	(3,449)	10,523
Proceeds from long term borrowings	3,209	-	5,257	-
Repayment of long term borrowings	(4,136)	(410)	(5,418)	(4,220)
Repayment of finance leases	(265)	(548)	(589)	(1,183)
Loans to an associate	(385)	-	(560)	-
Loans to a joint venture	-	(4,658)	(586)	(18,451)
Decrease/(increase) in pledged deposits	557	22	557	(631)
Net effect of exchange rate changes in consolidating subsidiaries	53	109	(35)	109
Net cash (used in)/from financing activities	(5,162)	462	(6,055)	(16,317)

1(c) Consolidated statement of cash flows (continued)

	Second quarter ended 30 June		Half Year ended 30 June	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Net (decrease)/increase in cash & cash equivalents	(8,289)	(7,005)	9,477	(22,865)
Net effect of exchange rate changes on cash and cash equivalents	203	176	(141)	289
Cash and cash equivalents at beginning of the period	41,357	22,255	23,935	38,002
Cash and cash equivalents at end of the period	33,271	15,426	33,271	15,426
Comprising:				
Cash and bank balances	17,603	10,180	17,603	10,180
Fixed deposits	20,635	12,217	20,635	12,217
	38,238	22,397	38,238	22,397
Less: Pledged fixed deposits	(4,792)	(6,971)	(4,792)	(6,971)
Statement of financial position - cash & cash equivalents	33,446	15,426	33,446	15,426
Less: Maintenance funds from owners of Bliss @Kovan received on behalf of property managing agent	(175)	-	(175)	-
	33,271	15,426	33,271	15,426

Note A

The Group acquired property, plant and equipment through the following arrangements:

	Second quarter ended 30 June		Half Year ended 30 June	
	2016 S\$'000	2015 S\$'000	2016 S\$'000	2015 S\$'000
Total cost of property, plant and equipment acquired	1,302	1,558	4,108	3,120
Less: Acquisition costs satisfied by finance lease arrangements	-	(27)	-	(215)
Interest cost paid	(56)	-	(105)	-
Net exchange differences	-	(2)	-	(2)
Cash payments	1,246	1,529	4,003	2,903

Note B

Net cash inflow on acquisition of a subsidiary:

	S\$'000
Cash & cash equivalent	55
Purchase consideration settled in cash	(28)
Net cash inflow	<u>27</u>

1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

Group

	Attributable to equity holders of the Parent					Total equity S\$'000
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Non-controlling interests S\$'000	
Balance at 1 Jan 2016	43,967	(69)	91,167	(2,257)	2,536	135,344
Total comprehensive income for the period	-	-	(1,682)	570	90	(1,022)
Balance at 31 Mar and 1 Apr 2016	43,967	(69)	89,485	(1,687)	2,626	134,322
Dividends paid on ordinary shares	-	-	(1,232)	-	-	(1,232)
Total comprehensive income for the period	-	-	(3,311)	(328)	60	(3,579)
Acquisition of non-controlling interests without a change in control	-	-	(1,486)	-	587	(899)
Balance at 30 Jun 2016	43,967	(69)	83,456	(2,015)	3,273	128,612
Balance at 1 Jan 2015	43,967	(69)	91,299	(880)	2,614	136,931
Total comprehensive income for the period	-	-	848	(336)	78	590
Balance at 31 Mar and 1 Apr 2015	43,967	(69)	92,147	(1,216)	2,692	137,521
Dividends paid on ordinary shares	-	-	(2,464)	-	-	(2,464)
Total comprehensive income for the period	-	-	40	(206)	10	(156)
Balance at 30 Jun 2015	43,967	(69)	89,723	(1,422)	2,702	134,901

Company

	Attributable to equity holders of the Company			
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 Jan 2016	43,967	(69)	19,895	63,793
Total comprehensive income for the period	-	-	(305)	(305)
Balance at 31 Mar and 1 Apr 2016	43,967	(69)	19,590	63,488
Dividends paid on ordinary shares	-	-	(1,232)	(1,232)
Total comprehensive income for the period	-	-	(251)	(251)
Balance at 30 Jun 2016	43,967	(69)	18,107	62,005
Balance at 1 Jan 2015	43,967	(69)	35,551	79,449
Total comprehensive income for the period	-	-	9	9
Balance at 31 Mar and 1 Apr 2015	43,967	(69)	35,560	79,458
Dividends paid on ordinary shares	-	-	(2,464)	(2,464)
Total comprehensive income for the period	-	-	(219)	(219)
Balance at 30 Jun 2015	43,967	(69)	32,877	76,775

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share capital

There have been no changes to the issued share capital of the Company since the end of the previous financial year. As at 30 June 2016 and 31 December 2015, the issued share capital of the Company was \$43,967,199 comprising 307,999,418 ordinary shares and 211,000 treasury shares.

Treasury shares

The Company did not acquire any ordinary shares of the Company to be held as treasury shares during the year.

	<u>No. of shares</u>	<u>S\$'000</u>
At 1 January and 30 June 2016	<u>211,000</u>	<u>69</u>

Employee performance share plan

As at 30 June 2016 and 2015, there were no performance shares granted and outstanding (being contingent award) to eligible employees and directors under the BBR Share Plan.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares excluding treasury shares as at 30 June 2016 was 307,999,418 (as at 31 December 2015: 307,999,418). The total number of treasury shares held as at 30 June 2016 was 211,000 (as at 31 December 2015: 211,000).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current period reported on.

Same as disclosed in para 1(d)(ii), there were no sales, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 30 June 2016.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors report (including any qualifications or emphasis of matters).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those adopted in the most recently audited financial statements for the financial year ended 31 December 2015.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

There are no changes in accounting policies and methods of computation.

6. **Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Second Quarter Ended 30 June		Half year Ended 30 June	
	<u>2016</u> Cents	<u>2015</u> Cents	<u>2016</u> Cents	<u>2015</u> Cents
(Loss)/earnings per ordinary share of the Group attributable to shareholders				
(a) Based on the weighted average number of ordinary shares in issue	(1.08)	0.01	(1.62)	0.29
(b) On a fully diluted basis (detailing any adjustment made to earnings)	(1.08)	0.01	(1.62)	0.29

The weighted average number of shares of 307,999,418 (30 June 2015: 307,999,418) for basic and diluted earnings per share computation takes into account the weighted average effect of changes in treasury shares transactions during the period, of which there were none.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year**

	Group		Company	
	<u>30.6.16</u> Cents	<u>31.12.15</u> Cents	<u>30.6.16</u> Cents	<u>31.12.15</u> Cents
Net asset value per ordinary share based on issued capital at the end of the period	40.69	43.12	20.13	20.71

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the followings:-**

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Income Statement Review – Second Quarter 2016 ('2Q16') vs Second Quarter 2015 ('2Q15')

Group revenue decreased to \$73.2 million in 2Q16 from \$106.9 million in 2Q15 and it reported a net loss attributable to equity holders of the Company of \$3.3 million in the current quarter compared to a marginal \$40,000 profit in 2Q15.

Revenue fell in 2Q16 due mainly to lower revenue from the general construction and property development segments. Revenue from general construction declined in 2Q16 due to lower construction activities while revenue from property development for sold units was already fully recognised in financial year 2015 after obtaining Temporary Occupancy Permit ("TOP").

Gross profit for 2Q16 declined to \$1.9 million from \$5.1 million for 2Q15, due mainly to absence of property development profit in 2Q16 and losses from certain general construction projects. This led to lower gross margin of 2.6% for the current quarter from 4.8% in 2Q15.

Other income for 2Q16 increased to \$0.8 million from \$0.6 million in 2Q15, mainly attributable to interest income from loans to a joint venture.

Administrative costs increased to \$2.0 million from \$1.8 million in 2Q15 because of higher depreciation charges from the Group's BBR building acquired in the 4th quarter of 2015. Other operating cost rose by \$0.5 million to \$3.7 million in 2Q16 as compared to 2Q15 due to impairment loss for construction materials inventory. Finance costs for 2Q16 increased to \$130,000 from \$69,000 in 2Q15, attributable to interest expense from a term loan to finance the purchase of the said BBR building.

The Group recorded \$0.2 million income from joint ventures in 2Q16, mainly attributable to profits from a joint venture construction project. In contrast, the Group incurred a loss of \$0.3 million in 2Q15 from its share of start-up expenses for the new mixed residential and commercial development at Yishun ("Mixed Development") where the Group holds a 25% equity interest.

Income tax expense for 2Q16 increased to \$0.4 million from \$0.2 million for 2Q15 due to tax provision for its subsidiary in Malaysia which cannot be offset against losses incurred by Singapore entities.

Income Statement Review – 6 months 2016 ('6M16') vs 6 months 2015 ('6M15')

Group revenue decreased to \$155.3 million for 6M16 from \$198.7 million for 6M15. The Group recorded a net loss attributable to equity holders of the Company of \$5.0 million in the current period as compared to a net profit of \$0.9 million in 6M15.

The decline in revenue for 6M16 was due to lower revenue across every business segment, except for green technology which recorded income from its solar leasing projects. Gross profit for 6M16 declined to \$6.8 million from \$11.6 million for 6M15, due largely to absence of property development profit in the current period. Gross margin for 6M16 decreased to 4.4% compared to 5.8% in 6M15 mainly due to difference in project mix.

Other operating income decreased to \$1.4 million for 6M16 from \$1.8 million for 6M15, due to lower equipment rental income and administrative fee income from the training and test centres, and partially offset by interest income. Other expense of \$0.4 million for 6M16 relates to foreign exchange loss for the Group's financial assets and forward currency purchases denominated in USD.

Other operating cost rose to \$7.9 million for 6M16 from \$7.6 million for 6M15 as the Group took up impairment losses for construction materials inventory. Finance costs for 6M16 increased to \$264,000 from \$141,000 in 6M15, attributable to interest expense from a term loan to finance the purchase of BBR building.

For 6M15, share of loss in joint ventures of \$0.3 million was attributable to the Group's 25% share of start-up expenses for the Mixed Development. In comparison, the loss of \$0.1 million in 6M16 comprise share of loss from the Mixed Development and partially offset by profits from a joint venture construction project.

There was no significant contribution from associates in 6M16. 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 88% completed with 99% of the units sold as at 30 June 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.

Income tax expense for 6M16 increased to \$0.6 million from \$0.4 million for 6M15 due to tax provision for its subsidiary in Malaysia which cannot be offset against losses incurred by Singapore entities in 6M16.

Statement of Financial Position Review

The carrying amount of the Group's property, plant and equipment increased to \$45.7 million as at 30 June 2016 from \$44.3 million as at 31 December 2015. The additional construction costs for infrastructure and installation works for a 20-year solar leasing contract with Ang Mo Kio Town Council was offset by depreciation charges in the current period.

Loans to an associate and loans to a joint venture increased by \$0.7 million and \$0.8 million, respectively as at 30 June 2016 to finance working capital requirements.

Since the beginning of FY2016, the Group's general construction projects were in their active and end stages of construction and progressive billings have exceeded construction costs and profits/losses recognised for these projects. Accordingly, amount due from customers for work-in-progress (which represents cost and profits in excess of billings) has decreased to \$11.7 million as at 30 June 2016 from \$30.5 million as at 31 December 2015. Likewise, amount due to customers for work-in-progress (which represents billings in excess of costs and profits) has increased to \$47.0 million from \$29.0 million as at 31 December 2015.

Inventories decreased to \$8.2 million as at 30 June 2016 from \$10.2 million as at 31 December 2015, due to utilisation as well as impairment loss of construction materials.

Total current and non-current trade receivables decreased to \$107.2 million as at 30 June 2016 from \$121.1 million as at 31 December 2015, due to lower volume of general construction work carried out. Other receivables decreased to \$2.3 million as at 30 June 2016 from \$3.4 million as at 31 December 2015 with progressive settlement of sundry debtors and deposits as general construction projects are being completed.

Cash and cash equivalents and pledged deposits rose to \$38.2 million as at 30 June 2016 compared with \$29.2 million as at 31 December 2015, largely due to increase in cash generated from operating activities, namely amount due to customers for work-in-progress (net) and trade receivables, offset partially by payments for trade payables in the current period.

Current and non-current trade and other payables decreased to \$57.2 million as at 30 June 2016 from \$88.8 million as at 31 December 2015, due to payments made as well as decreased project costs as a result of lower general construction work volume. Other liabilities increased to \$3.1 million as at 30 June 2016 from \$2.7 million as at 31 December 2015, attributable to provisions for operating expenses for the current period.

Income tax payable decreased to \$0.5 million as at 30 June 2016 from \$0.6 million as at 31 December 2015 due to tax paid and partially offset by tax provision by the Malaysia subsidiary.

Total bank loans and borrowings decreased to \$20.6 million as at 30 June 2016 from \$24.8 million as at 31 December 2015, due to repayments for term loans and finance leases.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable because there was no forecast or prospect statement on financial performance disclosed previously.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

On 14 July 2016, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 2.2 per cent on a year-on-year basis in the second quarter of 2016, marginally higher than the 2.1 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualized basis, the economy expanded by 0.8 per cent, faster than the 0.2 per cent growth in the preceding quarter. The construction sector grew by 2.7 per cent on a year-on-year basis in the second quarter, easing from the 4.5 per cent growth recorded in the previous quarter. The moderation in growth was largely due to a slowdown in private sector construction activities. On a quarter-on-quarter seasonally-adjusted basis, the sector expanded at an annualized rate of 0.6 per cent, lower than the 3.5 per cent expansion in the preceding quarter.

The industry outlook remains challenging in the next 12 months with increasing competition and 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 \$355 million in respect of construction projects, predominantly in Singapore and Malaysia.

11. Dividend

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

No.

(b) (i) Amount per share – Not applicable

(ii) Previous corresponding period – Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived (if the dividend is not taxable in the hands of shareholders, this must be stated)

Not applicable

(d) The date the dividend is payable

Not applicable

(e) The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended for the current financial period.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions “IPTs”, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT mandate has been obtained pursuant to Rule 920(1).

14. If the Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

Yes.

CONFIRMATION BY THE BOARD

We, Tan Kheng Hwee Andrew and Carrie Luk Ka Lai, being two of the Directors of the Company, do hereby confirm on behalf of the Directors of the Company that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial results for the period ended 30 June 2016 to be false or misleading.

On behalf of the Board of Directors



TAN KHENG HWEE ANDREW
Group Chief Executive Officer



CARRIE LUK KA LAI
Non-Executive Director

Singapore