



**BBR Holdings (S) Ltd and its subsidiaries**  
Company Registration No. 199304349M

Condensed Interim Financial Statements  
For the six months ended 30 June 2023

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

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**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Condensed interim consolidated statement of comprehensive income**  
**For the 6 months ended 30 June 2023**

	Note	Group		Change %
		6 months ended 30 June 2023 \$'000	6 months ended 30 June 2022 \$'000	
<b>Revenue</b>	4	108,907	74,154	46.9
<b>Cost of sales</b>		<u>(91,769)</u>	<u>(62,519)</u>	46.8
<b>Gross profit</b>		17,138	11,635	47.3
Other operating income		1,817	1,245	45.9
Other expense		(471)	(206)	128.6
Administrative costs		(1,985)	(1,842)	7.8
Other operating costs		(8,809)	(7,650)	15.2
Finance costs		(3,651)	(1,539)	137.2
Share of results of joint ventures		292	231	26.4
Share of results of associates		97	6	1,516.7
<b>Profit before taxation</b>	6	4,428	1,880	135.5
Income tax expense	7	(1,263)	(177)	613.6
<b>Profit for the period</b>		<u><b>3,165</b></u>	<u><b>1,703</b></u>	85.8
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified</b>				
<b>subsequently to profit or loss</b>				
Foreign currency translation loss		<u>(540)</u>	<u>(360)</u>	50.0
Other comprehensive income for the period		<u>(540)</u>	<u>(360)</u>	50.0
<b>Total comprehensive income for the period</b>		<u><b>2,625</b></u>	<u><b>1,343</b></u>	95.5
<b>Profit/(loss) attributable to:</b>				
Equity holders of the Company		2,096	1,746	20.0
Non-controlling interests		1,069	(43)	N.M
		<u><b>3,165</b></u>	<u><b>1,703</b></u>	85.8
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		1,516	1,368	10.8
Non-controlling interests		1,109	(25)	N.M
		<u><b>2,625</b></u>	<u><b>1,343</b></u>	95.5
Earnings per share (cents per share)				
Basic	9	<u><b>0.65</b></u>	<u><b>0.54</b></u>	20.4
Diluted	9	<u><b>0.65</b></u>	<u><b>0.54</b></u>	20.4

N.M. - Not meaningful

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**Condensed interim statements of financial position**  
**As at 30 June 2023**

	Note	Group		Company	
		30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	29,553	30,699	11,823	12,022
Right-of-use assets		5,252	3,025	1,775	1,801
Investments in subsidiaries		-	-	59,579	59,348
Investments in joint ventures		899	6,231	-	-
Investments in associates		1,761	1,668	260	260
Deferred tax assets		1,632	2,921	-	-
Contract assets	13	10,484	11,046	-	-
		<u>49,581</u>	<u>55,590</u>	<u>73,437</u>	<u>73,431</u>
<b>Current assets</b>					
Trade receivables	5, 12	13,852	12,874	-	-
Loans to a joint venture		-	5,042	-	-
Amounts due from subsidiaries		-	-	4,232	3,348
Contract assets	13	114,144	92,829	-	-
Capitalised contract costs	14	2,770	4,439	-	-
Development properties	15	82,996	79,028	-	-
Properties held for sale		1,159	1,222	-	-
Inventories		3,353	3,571	-	-
Investment securities		10	10	-	-
Other receivables		6,631	7,312	198	74
Pledged deposits		4,317	4,700	-	-
Cash and bank balances	16	44,678	50,989	215	355
Income tax recoverable		588	429	-	-
		<u>274,498</u>	<u>262,445</u>	<u>4,645</u>	<u>3,777</u>
<b>Total assets</b>		<b><u>324,079</u></b>	<b><u>318,035</u></b>	<b><u>78,082</u></b>	<b><u>77,208</u></b>
<b>Current liabilities</b>					
Amounts due to subsidiaries		-	-	16,755	14,330
Contract liabilities	13	15,967	19,481	-	-
Trade and other payables	5	62,186	50,872	181	211
Provisions		3,990	4,391	-	-
Deferred income		204	200	-	-
Other liabilities		7,377	9,641	609	1,022
Lease liabilities		1,492	854	27	27
Loans and borrowings	17	5,920	5,714	545	545
Income tax payable		23	41	5	5
		<u>97,159</u>	<u>91,194</u>	<u>18,122</u>	<u>16,140</u>
<b>Net current assets/(liabilities)</b>		<b><u>177,339</u></b>	<b><u>171,251</u></b>	<b><u>(13,477)</u></b>	<b><u>(12,363)</u></b>

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim statements of financial position**  
**As at 30 June 2023**

	Note	Group		Company	
		30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
<b>Non-current liabilities</b>					
Trade payables	5	1,273	451	-	-
Deferred income		2,424	2,483	-	-
Lease liabilities		5,152	3,007	1,975	1,989
Loans and borrowings	17	123,074	127,801	6,859	7,132
		<u>131,923</u>	<u>133,742</u>	<u>8,834</u>	<u>9,121</u>
<b>Total liabilities</b>		<b>229,082</b>	<b>224,936</b>	<b>26,956</b>	<b>25,261</b>
<b>Net assets</b>		<b>94,997</b>	<b>93,099</b>	<b>51,126</b>	<b>51,947</b>
<b>Equity attributable to equity holders of the Company</b>					
Share capital	19	49,082	49,082	49,082	49,082
Treasury shares	20	(566)	(566)	(566)	(566)
Retained earnings		53,726	52,597	2,610	3,431
Foreign currency translation reserve		(1,317)	(737)	-	-
		<u>100,925</u>	<u>100,376</u>	<u>51,126</u>	<u>51,947</u>
Non-controlling interests		(5,928)	(7,277)	-	-
<b>Total equity</b>		<b>94,997</b>	<b>93,099</b>	<b>51,126</b>	<b>51,947</b>

**BBR Holdings (S) Ltd and its subsidiaries**  
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Condensed interim statements of changes in equity  
For the 6 months ended 30 June 2023

<u>Group</u>	<u>Attributable to equity holders of the Company</u>						
	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Foreign	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
				currency translation reserve \$'000			
<b>Balance at 1 January 2023</b>	49,082	(566)	52,597	(737)	100,376	(7,277)	93,099
<u>Total comprehensive income</u>							
Profit for the period	-	-	2,096	-	2,096	1,069	3,165
Other comprehensive income for the period	-	-	-	(580)	(580)	40	(540)
<b>Total comprehensive income for the period</b>	-	-	2,096	(580)	1,516	1,109	2,625
Contributions by and distribution to owners							
Dividends paid on ordinary shares to equity holders of the Company	-	-	(967)	-	(967)	-	(967)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(967)	-	(967)	-	(967)
Changes in ownership interests in subsidiaries							
Capital contribution from non-controlling interests	-	-	-	-	-	240	240
<b>Total changes in ownership interest in subsidiaries</b>	-	-	-	-	-	240	240
<b>Balance at 30 June 2023</b>	<b>49,082</b>	<b>(566)</b>	<b>53,726</b>	<b>(1,317)</b>	<b>100,925</b>	<b>(5,928)</b>	<b>94,997</b>

	<u>Attributable to equity holders of the Company</u>						
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Foreign	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
				currency translation reserve S\$'000			
<b>Balance at 1 January 2022</b>	49,082	(566)	47,876	79	96,471	(6,597)	89,874
<u>Total comprehensive income</u>							
Profit/(loss) for the period	-	-	1,746	-	1,746	(43)	1,703
Other comprehensive income for the period	-	-	-	(378)	(378)	18	(360)
<b>Total comprehensive income for the period</b>	-	-	1,746	(378)	1,368	(25)	1,343
Distribution to owners							
Purchase of treasury shares *	-	-	-	-	-	-	-
Dividends paid on ordinary shares to equity holders of the Company	-	-	(967)	-	(967)	-	(967)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(967)	-	(967)	-	(967)
<b>Balance at 30 June 2022</b>	<b>49,082</b>	<b>(566)</b>	<b>48,655</b>	<b>(299)</b>	<b>96,872</b>	<b>(6,622)</b>	<b>90,250</b>

\* The Company acquired 2,000 treasury shares during the six months ended 30 June 2022 under the Share Buyback Mandate which was approved by the shareholders. However, no value is shown as the value of the treasury shares is zero when rounded to the nearest thousand.

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim statements of changes in equity**  
**For the 6 months ended 30 June 2023**

**Company**

	<b>Attributable to equity holders of the Company</b>			
	<b>Share capital</b>	<b>Treasury shares</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 January 2023</b>	49,082	(566)	3,431	51,947
<u>Total comprehensive income</u>				
Profit for the period	-	-	146	146
<b>Total comprehensive income for the period</b>	-	-	146	146
<u>Contributions by and distribution to owners</u>				
Dividends paid on ordinary shares to equity holders of the Company	-	-	(967)	(967)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(967)	(967)
<b>Balance at 30 June 2023</b>	<b>49,082</b>	<b>(566)</b>	<b>2,610</b>	<b>51,126</b>
<b>Balance at 1 January 2022</b>	49,082	(566)	7,146	55,662
<u>Total comprehensive income</u>				
Profit for the period	-	-	120	120
<b>Total comprehensive income for the period</b>	-	-	120	120
<u>Distribution to owners</u>				
Purchase of treasury shares *	-	-	-	-
Dividends paid on ordinary shares to equity holders of the Company	-	-	(967)	(967)
<b>Total transactions with owners in their capacity as owners</b>	-	-	(967)	(967)
<b>Balance at 30 June 2022</b>	<b>49,082</b>	<b>(566)</b>	<b>6,299</b>	<b>54,815</b>

\* The Company acquired 2,000 treasury shares during the six months ended 30 June 2022 under the Share Buyback Mandate which was approved by the shareholders. However, no value is shown as the value of the treasury shares is zero when rounded to the nearest thousand.

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim consolidated statement of cash flows**  
**For the 6 months ended 30 June 2023**

	Group	
	6 months ended	6 months ended
	30 June	30 June
	2023	2022
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit before taxation	4,428	1,880
Adjustments for:		
Depreciation of property, plant and equipment	1,166	1,145
Depreciation of right-of-use assets	357	683
Amortisation of deferred income	(104)	(100)
Amortisation of capitalised contract costs	1,669	450
Write back of loss provision on trade receivables, other receivables and contract assets	(627)	(111)
Share of results of joint ventures	(292)	(231)
Share of results of associates	(97)	(6)
Accreted interest	47	103
Gain on disposal of property, plant and equipment	(99)	(276)
Interest income	(564)	(24)
Interest expense	3,604	1,436
<b>Operating cash flows before working capital changes</b>	<b>9,488</b>	<b>4,949</b>
<u>Changes in working capital</u>		
Development properties	(3,968)	(230)
Contract assets	(21,611)	12,836
Capitalised contract costs	-	(103)
Trade receivables	(521)	(1,668)
Other receivables	(122)	(1,695)
Inventories	118	(130)
Trade and other payables	12,338	(9,179)
Contract liabilities	(3,353)	7,522
Provisions and other liabilities	(28)	(390)
<b>Cash (used in)/generated from operations</b>	<b>(7,659)</b>	<b>11,912</b>
Interest paid	(2,078)	(1,109)
Interest received	2,382	24
Income tax paid	(162)	(94)
<b>Net cash (used in)/generated from operating activities</b>	<b>(7,517)</b>	<b>10,733</b>



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**Condensed interim consolidated statement of cash flows**  
**For the 6 months ended 30 June 2023**

	<b>Group</b>	
	<b>6 months ended 30</b>	<b>6 months ended 30</b>
	<b>June</b>	<b>June</b>
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(493)	(546)
Proceeds from disposal of property, plant and equipment	102	296
Distribution of profits from joint ventures	5,620	64
Repayment of loans from a joint venture	3,850	3,307
<b>Net cash generated from investing activities</b>	<b>9,079</b>	<b>3,121</b>
<b>Cash flows from financing activities</b>		
Proceeds from short term borrowings	180	642
Dividends paid on ordinary shares to equity holders of the Company	(967)	(967)
Proceeds from borrowings	2,430	-
Repayment of long term borrowings	(7,627)	(887)
Repayment of lease liabilities	(2,386)	(648)
Increase/(decrease) in pledged deposits	290	(2,000)
Capital contribution from non-controlling interests	240	-
<b>Net cash used in financing activities</b>	<b>(7,840)</b>	<b>(3,860)</b>
Net (decrease)/increase in cash and cash equivalents	(6,278)	9,994
Effect of exchange rate changes on cash and cash equivalents	(33)	(53)
Cash and cash equivalents at beginning of the period	50,989	59,474
<b>Cash and cash equivalents at end of the period</b>	<b>44,678</b>	<b>69,415</b>
Comprising:		
Cash and bank balances	18,649	24,547
Fixed deposits	30,346	50,815
	48,995	75,362
Less: Fixed deposits pledged with financial institutions	(4,317)	(5,947)
	<b>44,678</b>	<b>69,415</b>

**Notes to the condensed interim consolidated financial statements**

**1. Corporate information**

BBR Holdings (S) Ltd (“the Company”) is a limited liability company, which is incorporated and domiciled in the Republic of Singapore and whose shares are publicly traded on the Mainboard of Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The Group is principally involved in the business of specialised engineering, general construction, property development, green technology and investment holding.

**2. Basis of preparation**

The condensed interim financial statements of the Group have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollar (“SGD” or “\$”) and all values are rounded to the nearest thousand (“\$’000”), except when otherwise indicated.

**2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

**Notes to the condensed interim consolidated financial statements**

**2.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) ***Revenue recognition on construction contracts***

The Group recognises contract revenue over time by reference to the Group's progress towards completing the contract work. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs.

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. Additionally, management is required to evaluate adjustments to contract consideration due to variation works and key material price adjustments. When it is probable that the total contract costs will exceed the total contract consideration, a provision for onerous contracts is recognised immediately.

Significant judgements are used to estimate these total contract costs to complete and total contract consideration. In making these estimates, management has relied on the expertise of the project directors to determine the progress of the construction and also on past experience of completed projects.

Revenue from construction contracts as well as the carrying amounts of contract assets and contract liabilities are disclosed in Note 4 and Note 13 to the condensed interim financial statements.

**Notes to the condensed interim consolidated financial statements**

**2.2 Use of judgements and estimates (cont'd)**

(b) ***Provision for expected credit losses of trade receivables and contract assets***

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of trade receivables and contract assets are disclosed in Note 12 and Note 13 to the condensed interim financial statements.

(c) ***Estimation of net realisable value of development properties***

Development properties are stated at the lower of cost and net realisable value.

Net realisable value of development properties is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of development properties is disclosed in Note 15 to the condensed interim financial statements.

**3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

**Notes to the condensed interim consolidated financial statements**

**4. Segment and revenue information**

***Business information***

For management purposes, the Group has four reportable segments organised based on their products and services as follows:

*Specialised engineering*

This segment is in the business of post-tensioning, installation of stay cable systems for structural engineering applications, piling and foundation systems, heavy lifting, bridge design and construction, maintenance, strengthening, retrofitting and prefabricated pre-finished volumetric construction systems.

*General construction*

This segment is in the business of design and build, general building construction, civil and structural engineering construction, and conservation and restoration of buildings.

*Property development*

This segment is in the business of property development, focusing on developing residential properties and mixed developments, and the provision of property management and consultancy services.

*Green technology*

This segment is in the business of system integration and distribution of renewable energy, and supply, installation and leasing of solar panels and grid connected systems.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Segment revenue and expenses, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Inter-segment transfers of revenue and expenses include transfers between business segments and are eliminated on consolidation. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

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**Notes to the condensed interim consolidated financial statements**

**4.1 Reportable segments**

	<u>Specialised</u> <u>Engineering</u> \$'000	<u>General</u> <u>Construction</u> \$'000	<u>Property</u> <u>Development</u> \$'000	<u>Green</u> <u>Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2023 to 30 June 2023</u></b>					
<b>Revenue</b>					
External revenue	35,237	16,516	55,220	1,906	<b>108,879</b>
Inter-segment revenue	1,876	13,296	-	222	<b>15,394</b>
Total revenue	<b>37,113</b>	<b>29,812</b>	<b>55,220</b>	<b>2,128</b>	<b>124,273</b>
<b>Results:</b>					
Interest income	(1)	(277)	(286)	-	<b>(564)</b>
Interest expense	660	3	2,842	-	<b>3,505</b>
Depreciation of property, plant and equipment	599	43	8	316	<b>966</b>
Depreciation of right-of-use assets	279	52	-	-	<b>331</b>
Share of results of associates	(103)	-	6	-	<b>(97)</b>
Share of results of joint ventures	(1)	(120)	(171)	-	<b>(292)</b>
<b>Other non-cash items:</b>					
Amortisation of deferred income	-	-	-	(104)	<b>(104)</b>
Amortisation of capitalised contract cost	-	-	1,669	-	<b>1,669</b>
Accreted interest	-	-	-	47	<b>47</b>
Write back of loss provision on trade receivables, other receivables and contract assets	(526)	-	-	-	<b>(526)</b>
Segment (loss)/profit before taxation	(5,313)	1,856	9,357	538	<b>6,438</b>
Income tax (credit)/expense	(26)	-	1,289	-	<b>1,263</b>
<b>Assets</b>					
Investments in joint ventures	61	-	838	-	<b>899</b>
Investments in associates	1,509	-	252	-	<b>1,761</b>
Additions to property, plant and equipment	313	36	-	144	<b>493</b>
<b>Segment assets</b>	<b>80,328</b>	<b>32,122</b>	<b>187,868</b>	<b>9,733</b>	<b>310,051</b>
<b>Segment liabilities</b>					
	<b>56,518</b>	<b>33,002</b>	<b>125,823</b>	<b>3,434</b>	<b>218,777</b>

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**Notes to the condensed interim consolidated financial statements**

**4.1 Reportable segments (cont'd)**

	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2022 to 30 June 2022</u></b>					
<b>Revenue</b>					
External revenue	40,090	17,881	14,893	1,246	74,110
Inter-segment revenue	1,882	7,365	-	60	9,307
Total revenue	<u>41,972</u>	<u>25,246</u>	<u>14,893</u>	<u>1,306</u>	<u>83,417</u>
<b>Results:</b>					
Interest income	(8)	(7)	(9)	-	(24)
Interest expense	131	-	1,207	-	1,338
Depreciation of property, plant and equipment	603	13	9	317	942
Depreciation of right-of-use assets	657	-	-	-	657
Share of results of associates	(31)	-	25	-	(6)
Share of results of joint ventures	(2)	(61)	(168)	-	(231)
<b>Other non-cash items:</b>					
Amortisation of deferred income	-	-	-	(100)	(100)
Amortisation of capitalised contract cost	-	-	450	-	450
Accreted interest	54	-	-	49	103
Write back of loss provision on trade receivables, other receivables and contract assets	(111)	-	-	-	(111)
Segment (loss)/profit before taxation	(249)	1,773	1,657	387	3,568
Income tax expense	-	-	177	-	177
<b>Assets</b>					
Investments in joint ventures	67	(3)	6,093	-	6,157
Investments in associates	1,226	-	255	-	1,481
Additions to property, plant and equipment	346	-	-	-	346
<b>Segment assets</b>	<u>83,960</u>	<u>25,649</u>	<u>184,105</u>	<u>9,673</u>	<u>303,387</u>
<b>Segment liabilities</b>	<u>48,753</u>	<u>29,761</u>	<u>135,801</u>	<u>3,353</u>	<u>217,668</u>

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**4.1 Reportable segments (cont'd)**

**Reconciliations of reported segment revenue, profit before taxation,  
and other material items**

	<b>6 months ended 30 June 2023 \$'000</b>	<b>6 months ended 30 June 2022 \$'000</b>
<b>Revenue</b>		
Total revenue for reportable segments	124,273	83,417
Management fee from associates	28	44
Elimination of intersegment revenue	(15,394)	(9,307)
	<u>108,907</u>	<u>74,154</u>
<b>Profit before tax</b>		
Total profit before taxation for reportable segments	6,438	3,568
Management fee from associates	28	44
Unallocated amounts:		
Other corporate income	117	117
Other corporate expenses	(2,155)	(1,849)
	<u>4,428</u>	<u>1,880</u>

**Reconciliations of reported segment assets and liabilities**

	<b>30-Jun-23 \$'000</b>	<b>30-Jun-22 \$'000</b>
<b>Assets</b>		
Total assets for reportable segments	310,051	303,387
Other unallocated amounts	14,028	15,017
	<u>324,079</u>	<u>318,404</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	218,777	217,668
Other unallocated amounts	10,305	10,486
	<u>229,082</u>	<u>228,154</u>



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**4.2 Disaggregation of revenue**

	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2023 to 30 June 2023</u></b>					
Types of goods or services:					
Revenue from contracts with customers	35,237	16,516	55,220	1,092	108,065
Solar leasing income	-	-	-	814	814
	<u>35,237</u>	<u>16,516</u>	<u>55,220</u>	<u>1,906</u>	<u>108,879</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services					
At a point in time	533	-	-	387	920
Over time	34,704	16,516	55,220	705	107,145
	<u>35,237</u>	<u>16,516</u>	<u>55,220</u>	<u>1,092</u>	<u>108,065</u>

Geographical information:

Singapore	17,400	16,516	55,220	1,092	90,228
Malaysia	8,951	-	-	-	8,951
Thailand	8,886	-	-	-	8,886
	<u>35,237</u>	<u>16,516</u>	<u>55,220</u>	<u>1,092</u>	<u>108,065</u>

	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2022 to 30 June 2022</u></b>					
Types of goods or services:					
Revenue from contracts with customers	40,090	17,881	14,893	471	73,335
Other revenue:					
Solar leasing income	-	-	-	775	775
	<u>40,090</u>	<u>17,881</u>	<u>14,893</u>	<u>1,246</u>	<u>74,110</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services					
At a point in time	369	-	-	229	598
Over time	39,721	17,881	14,893	242	72,737
	<u>40,090</u>	<u>17,881</u>	<u>14,893</u>	<u>471</u>	<u>73,335</u>

Geographical information:

Singapore	22,237	17,881	14,893	471	55,482
Malaysia	8,634	-	-	-	8,634
Thailand	9,219	-	-	-	9,219
	<u>40,090</u>	<u>17,881</u>	<u>14,893</u>	<u>471</u>	<u>73,335</u>

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**Notes to the condensed interim consolidated financial statements**

**5. Financial assets and financial liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-23</b>	<b>31-Dec-22</b>	<b>30-Jun-23</b>	<b>31-Dec-22</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets measured at amortised cost</b>				
Contract receivables				
- External parties	13,276	12,438	-	-
Goods and services tax receivable	576	436	-	-
<b>Total trade receivables</b>	<b>13,852</b>	<b>12,874</b>	<b>-</b>	<b>-</b>
Less				
- Goods and services tax receivable	(576)	(436)	-	-
Add:				
- Loans to a joint venture	-	5,042	-	-
- Amounts due from subsidiaries	-	-	4,232	3,348
- Other receivables, excluding prepayments	6,153	6,899	166	74
- Pledged deposits	4,317	4,700	-	-
- Cash and cash equivalents	44,678	50,989	215	355
<b>Total financial assets measured at amortised cost</b>	<b>68,424</b>	<b>80,068</b>	<b>4,613</b>	<b>3,777</b>
<b>Financial assets measured at fair value through profit or loss</b>				
Investment securities	10	10	-	-

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**5. Financial assets and financial liabilities (cont'd)**

	Group		Company	
	30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
<b>Financial liabilities measured at amortised cost</b>				
<b>Non-current:</b>				
Retention payables	1,273	451	-	-
<b>Current:</b>				
Trade payables	53,684	43,864	23	53
Retention payables	5,851	4,930	-	-
Other payables	1,422	1,309	111	110
Goods and services tax payable	1,229	769	47	48
	<u>62,186</u>	<u>50,872</u>	<u>181</u>	<u>211</u>
<b>Total trade and other payables</b>	63,459	51,323	181	211
Less:				
Goods and services tax payable	(1,229)	(769)	(47)	(48)
Add:				
- Amounts due to subsidiaries	-	-	16,755	14,330
- Other liabilities	7,377	9,641	609	1,022
- Lease liabilities	6,644	3,861	2,002	2,016
- Loans and borrowings	128,994	133,515	7,404	7,677
	<u>128,994</u>	<u>133,515</u>	<u>7,404</u>	<u>7,677</u>
<b>Total financial liabilities measured at amortised cost</b>	<u>205,245</u>	<u>197,571</u>	<u>26,904</u>	<u>25,208</u>

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**Notes to the condensed interim consolidated financial statements**

**6. Profit before taxation**

**6.1 Significant items**

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

	<b>Group</b>		
	<b>6 months ended</b>	<b>6 months ended</b>	
	<b>30 June</b>	<b>30 June</b>	<b>Change</b>
	<b>2023</b>	<b>2022</b>	<b>%</b>
	<b>\$'000</b>	<b>\$'000</b>	
Depreciation of property, plant and equipment	1,166	1,145	1.8
Depreciation of right-of-use assets	357	683	(47.7)
Amortisation of deferred income	(104)	(100)	4.0
Amortisation of capitalised contract costs	1,669	450	270.9
Gain on disposal of property, plant and equipment	(99)	(276)	(64.1)
Write back of loss provision on trade receivables, other receivables and contract assets	(627)	(111)	464.9
Interest expense	3,604	1,436	151.0
Accreted interest	47	103	(54.4)
Interest income	(564)	(24)	2,250.0
Rental income from premises	(271)	(424)	(36.1)
Foreign exchange loss	471	206	128.6
Over provision of current income tax in respect of prior years	(26)	-	N.M

N.M - Not meaningful

**Notes to the condensed interim consolidated financial statements**

**6.2 Related party transactions**

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place at terms agreed between the parties during the financial period:

	<b>Group</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	<b>6 months ended 30 June 2022 \$'000</b>
From an associate:		
Accounting services income	-	(17)
Recovery of license and other fees paid to a related party	(63)	(60)
Management fees income	(28)	(44)
From joint ventures:		
Accounting services income	(51)	(81)
Repayment of loans from a joint venture	3,474	3,307
License and other fees to a related party	275	244
Purchases from a related party	591	594
Management fee income from a related party	(59)	(58)
Rental expense paid to a director of the Company	44	48

**7. Income tax expense**

	<b>Group</b>	
	<b>6 months ended 30 June 2023 \$'000</b>	<b>6 months ended 30 June 2022 \$'000</b>
<b><i>Consolidated statement of comprehensive income</i></b>		
Current income tax		
- Singapore	-	-
- Foreign	-	-
Over provision of income tax in respect of previous years	(26)	-
	<u>(26)</u>	<u>-</u>
Deferred income tax:		
Origination and reversal of temporary differences	1,289	177
	<u>1,289</u>	<u>177</u>
Income tax expense recognised in profit or loss	<u>1,263</u>	<u>177</u>

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**Notes to the condensed interim consolidated financial statements**

**8. Dividends**

A tax exempt one-tier first and final cash dividend of 0.3 cents per share in respect of the financial year ended 31 December 2022 totaling \$967,159 was approved by shareholders on 27 April 2023 and paid on 24 May 2023.

**9. Earnings per share**

	<b>Group</b>	
	<b>6 months ended 30 June 2023 Cents</b>	<b>6 months ended 30 June 2022 Cents</b>
Earnings per ordinary share of the Group attributable to equity holders		
(a) Based on the weighted average number of ordinary shares in issue	0.65	0.54
(b) On a fully diluted basis (detailing any adjustment made to earnings)	0.65	0.54
	<hr/>	
	<b>Number of shares</b>	
Weighted average number of shares during the financial period	322,386,218	322,388,096
	<hr/>	

**10. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-23</b>	<b>31-Dec-22</b>	<b>30-Jun-23</b>	<b>31-Dec-22</b>
Net asset value per ordinary share based on issued capital at the end of the period (cents)	31.31	31.14	15.86	16.11
	<hr/>			
Number of shares as at the end of period/year	322,386,218	322,386,218	322,386,218	322,386,218
	<hr/>			

**Notes to the condensed interim consolidated financial statements**

**11. Property, plant and equipment**

During the six months ended 30 June 2023, the Group acquired assets amounting to \$493,000 (30 June 2022: \$546,000) and disposed of assets with net book value of \$3,000 (30 June 2022: \$20,000).

**12. Trade receivables**

	Group		Company	
	30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
Trade receivables	16,979	16,658	-	-
Less: Allowance for expected credit losses	(3,127)	(3,784)	-	-
	13,852	12,874	-	-
Less				
- Goods and services tax receivable	(576)	(436)	-	-
Receivables from contracts with customers (Note 13)	13,276	12,438	-	-

Trade receivables are non-interest bearing, unsecured and are generally on 30 to 90 days' terms. They are recognized at their original invoice amounts which represent their fair value on initial recognition.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables and contract assets computed based on lifetime ECL are as follows:

	Group			
	Trade receivables		Contract assets	
	30-Jun-23 \$'000	31-Dec-22 \$'000	30-Jun-23 \$'000	31-Dec-22 \$'000
At beginning of period	3,784	6,158	2,881	6,982
(Credit)/charge for the period	(578)	(514)	56	53
Amount written off	-	(1,624)	-	(4,020)
Exchange differences	(79)	(236)	(95)	(134)
At end of period	3,127	3,784	2,842	2,881

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**13. Contract assets and contract liabilities**

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	<b>Group</b>	
	<b>30-Jun-23</b>	<b>31-Dec-22</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Receivables from contracts with customers</b> (Note 12)	13,276	12,438
<b>Contract assets from construction contracts</b>		
<u>Current</u>		
Unbilled revenue	29,312	22,587
Retention receivables	6,987	6,992
Less: Provision for onerous contracts	(1,072)	(910)
	<u>35,227</u>	<u>28,669</u>
<u>Non-current</u>		
Retention receivables	10,484	11,046
	<u>45,711</u>	<u>39,715</u>
<b>Contract assets from sale of development properties</b>		
<u>Current</u>		
Capitalised fulfilment costs	44,353	71,078
Contract assets/(liabilities)	34,564	(6,918)
	<u>78,917</u>	<u>64,160</u>
<b>Total contract assets</b>	<u>124,628</u>	<u>103,875</u>
Current	114,144	92,829
Non-current	10,484	11,046
<b>Total contract assets</b>	<u>124,628</u>	<u>103,875</u>
<b>Contract liabilities from construction contracts</b>		
Contract liabilities	15,179	18,701
Add: Provision for onerous contracts	788	780
<b>Total contract liabilities</b>	<u>15,967</u>	<u>19,481</u>

The movement in capitalised fulfilment costs is as follows:

	<b>Group</b>	
	<b>30-Jun-23</b>	<b>31-Dec-22</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of period	71,078	91,199
Additions	-	1,511
Amortisation	(26,725)	(21,632)
Balance at end of period	<u>44,353</u>	<u>71,078</u>



**Notes to the condensed interim consolidated financial statements**

**13. Contract assets and contract liabilities (cont'd)**

(i) Contract assets

Unbilled revenue primarily relates to the Group's right to consideration for work completed but not yet billed at reporting date for construction contracts. Contract assets are transferred to receivables when the rights become unconditional.

Retention receivables are non-interest bearing, unsecured and relate to construction contracts. Retention receivables are classified as current or non-current based on the contractual terms of the respective construction contracts.

The changes in contract assets are due to the differences between certified work completed and revenue recognised on the construction contracts and movement in allowance for expected credit losses.

Capitalised fulfilment costs relate to land and land related costs of sold units. These capitalised costs are amortised to profit or loss when the related revenue is recognised.

The changes in contract assets from the sale of development properties are due to the differences between progress billings and revenue recognised, transfers of land and land related costs within development properties to capitalised fulfilment costs upon sale of development properties and the amortisation of capitalised fulfilment costs to profit or loss.

(ii) Contract liabilities

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts and sale of development properties. Contract liabilities are recognised as revenue as the Group performs under the contract.

Significant changes in provision for onerous contracts are explained as follows:

	<b>Group</b>	
	<b>30-Jun-23</b>	<b>31-Dec-22</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of period	1,690	1,104
Charge to profit or loss	1,915	7,213
Utilisation	(1,745)	(6,627)
Balance at end of period	<u>1,860</u>	<u>1,690</u>

**Notes to the condensed interim consolidated financial statements**

**14. Capitalised contract costs**

	Group	
	30-Jun-23 \$'000	31-Dec-22 \$'000
<b>Capitalised incremental costs of obtaining contract – commission costs paid to property agents</b>		
Balance at beginning of period	4,439	5,684
Additions	-	103
Amortisation	(1,669)	(1,348)
Balance at end of period	2,770	4,439

**15. Development properties**

	Group	
	30-Jun-23 \$'000	31-Dec-22 \$'000
Development costs	82,996	79,028

Assets pledged as security

The freehold land under development has been pledged as security for a bank loan (Note 17).

Details of the Group's development properties are as follows:

Description and location	Tenure	Site area (square metres)		Stage of development/ expected completion date	Proportion of ownership interest	
		30-Jun-23	31-Dec-22		30-Jun-23 %	31-Dec-22 %
Proposed development of a 20-storey mixed development (The LINQ @ Beauty World) located at 118 Upper Bukit Timah Road	Freehold	4,251	4,251	Construction stage and expected to obtain TOP in FY2025	62	62

**Notes to the condensed interim consolidated financial statements**

**16. Cash and bank balances**

Included in cash and bank balances are amounts of \$6,887,000 (Dec 2022: \$17,381,000) maintained in project accounts, withdrawals from which are restricted to payments for expenditure incurred on the Group's property development project.

**17. Loans and borrowings**

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-23</b>	<b>31-Dec-22</b>	<b>30-Jun-23</b>	<b>31-Dec-22</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Amount repayable within one year or on demand:				
Secured	5,920	5,714	545	545
Unsecured	-	-	-	-
	<u>5,920</u>	<u>5,714</u>	<u>545</u>	<u>545</u>
Amount repayable after one year:				
Secured	92,370	97,097	6,859	7,132
Unsecured	30,704	30,704	-	-
	<u>123,074</u>	<u>127,801</u>	<u>6,859</u>	<u>7,132</u>

The secured borrowings repayable within one year and after one year comprise mainly obligations under banker's acceptances, invoice financing and property loans. The borrowings are secured by charges over certain property, plant and equipment, development property and corporate guarantee provided by the Company.

The unsecured borrowings relate to loans from non-controlling interests obtained for property development purpose.

**Notes to the condensed interim consolidated financial statements**

**18. Fair value of financial instruments**

(a) ***Fair value hierarchy***

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Assets and liabilities measured at fair value***

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	<b>30-Jun-23</b>			Total
	<b>\$'000</b>			
Fair value measurements at the end of the reporting period using				
Group	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
<u>Investment securities at fair value</u>				
<u>through profit or loss</u>				
<i>Quoted equity securities</i>	10	-	-	10
	10	-	-	10

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**18. Fair values of financial instruments (cont'd)**

(b) ***Assets and liabilities measured at fair value (cont'd)***

	<b>31-Dec-22</b>			Total
	<b>\$'000</b>			
<b>Group</b>	Fair value measurements at the end of the reporting period using			
<b>Assets measured at fair value</b>	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
<b>Financial assets:</b>				
<u>Investment securities at fair value through profit or loss</u>				
<i>Quoted equity securities</i>	10	-	-	10
	10	-	-	10

**Notes to the condensed interim consolidated financial statements**

**18. Fair values of financial instruments (cont'd)**

(c) **Level 3 fair value measurements**

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value \$'000	Valuation techniques	Unobservable inputs
<b>30 June 2023 and 31 December 2022</b>			
<b>Recurring fair value measurements</b>			
<u>At fair value through profit or loss</u>			
Unquoted equity securities	–	Income approach	Growth rate %

(d) **Assets and liabilities not measured at fair value, for which fair value is disclosed**

Non-current trade payables (Note 5)

The carrying amounts of these financial liabilities are reasonable approximation of fair values estimated by discounting expected future cash flows, at the market rate of interest as at 30 June 2023 and 31 December 2022.

Current trade and other receivables and payables (Note 5), other liabilities, cash and bank balances and amounts due from/(to) subsidiaries

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

Non-current loans to a joint venture and loans and borrowings (Note 17)

The carrying amount of these financial instruments are reasonable approximation of their fair values as they are floating rate instruments that re-priced to market interest rates on or near the end of the reporting period.

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**19. Share capital**

	<b>Group and Company</b>			
	<b>30-Jun-23</b>		<b>31-Dec-22</b>	
	<b>No. of shares</b>	<b>\$'000</b>	<b>No. of shares</b>	<b>\$'000</b>
<b>Issued and fully paid ordinary shares :</b>				
At beginning and end of period	324,710,418	49,082	324,710,418	49,082

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

There were no changes in the Company share capital since the end of the previous financial year.

The total number of issued shares excluding treasury shares as at 30 June 2023 was 322,386,218 (30 June 2022: 322,386,218). The total number of treasury shares held as at 30 June 2023 was 2,324,200 (30 June 2022: 2,324,200).

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 30 June 2023 and 30 June 2022.

**20. Treasury shares**

	<b>Group and Company</b>			
	<b>30-Jun-23</b>		<b>31-Dec-22</b>	
	<b>No. of shares</b>	<b>\$'000</b>	<b>No. of shares</b>	<b>\$'000</b>
At beginning of period	(2,324,200)	(566)	(2,322,200)	(566)
Acquired during the period	-	-	2,000	-
At end of period	(2,324,200)	(566)	(2,324,200)	(566)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company did not acquire any ordinary shares which are to be held as treasury shares during the six months ended 30 June 2023. For the six months ended 30 June 2022, there were 2,000 ordinary shares acquired as treasury shares.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 30 June 2023 and 30 June 2022.

**Notes to the condensed interim consolidated financial statements**

**21. Reclassification and comparative figures**

A reclassification has been made to prior year's figures in the interim condensed financial statements to ensure consistency of presentation with prior year's full year financial statements. As a result, certain line items have been amended in the statement of comprehensive income statement.

The items reclassified were as follows:

	<b>Group</b>	
	<b>Previously reported 6 months ended 30 June 2022 \$'000</b>	<b>After reclassification 6 months ended 30 June 2022 \$'000</b>
Cost of sales	(63,519)	(62,519)
Other operating income	2,245	1,245



**BBR Holdings (S) Ltd and its subsidiaries**

Announcement of Half-Year Results for the Financial Period 30 June 2023

Other Information Required by Listing Rule Appendix 7.2



**BBR Holdings (S) Ltd and its subsidiaries**

Company Registration No. 199304349M

Announcement of Half-Year Results for the Financial Period Ended 30 June 2023

Other Information Required by Listing Rule Appendix 7.2

## **BBR Holdings (S) Ltd and its subsidiaries**

Announcement of Half-Year Results for the Financial Period 30 June 2023

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### **1. Review**

The condensed consolidated statement of financial position of BBR Holdings (S) Ltd and its subsidiaries as at 30 June 2023 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### Income Statement Review – Six-Month Period Ended 30 June 2023 (“1H2023”) vs Six-Month Period Ended 30 June 2022 (“1H2022”)

Group revenue increased 46.9% from \$74.2 million achieved in 1H2022 to \$108.9 million in 1H2023 with lower contribution from the General Construction and Specialist Engineering business segments offset by higher contribution from the Property Development and Green Technology business segments. General construction business segment recorded a lower revenue as new projects which started this year are still at the early stage. Specialised Engineering business segment also registered a decrease in revenue with lower construction activities for Singapore and Thailand subsidiaries as well as the Prefabricated Prefinished Volumetric Construction (“PPVC”) business during the period in review.

The Group’s Property Development business segment launched the sale of the residential units of The LINQ @ Beauty World (“The LINQ”) in November 2020. The LINQ is a 20-storey mixed development along Upper Bukit Timah Road. As construction work progresses, based on the Percentage of Completion (“POC”), a revenue of \$55.2 million was recognised in 1H2023 as compared to \$14.9 million in 1H2022.

Gross profit margin for both 1H2023 and 1H2022 was 15.7%. With a higher revenue, the overall gross profit improved 47.3% from \$11.6 million in 1H2022 to \$17.1 million in 1H2023.

Other operating income increased by 45.9% due to higher interest income earned during the period with higher bank deposit rates and an increase in training income from BCA Approved Training and Testing Centre and Approved Overseas Testing Centre operated by the Group.

## **BBR Holdings (S) Ltd and its subsidiaries**

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### **2. Review of performance of the Group (cont'd)**

Other expense comprised foreign exchange differences amounted to a loss of \$0.5 million and \$0.2 million for 1H2023 and 1H2022 respectively.

Administrative costs increased marginally by \$0.1 million or 7.8% due to moving expenses of the store which the Group has secured through a three-year Temporary Occupancy Licence and expenses incurred for minor fitting-up works at the store.

Other operating costs increased by \$1.2 million or 15.2% from higher amortisation of capitalised contract cost relating to the sales commission paid for sale of property development units at The LINQ which is amortised in a systematic manner via POC of the development. This increase was offset by a write back of doubtful debts during the period with the recovery of some trade debts for which allowance for doubtful debts was previously made.

Finance costs increased by \$2.1 million or 137.2% with an increase in interest rates and additional bank borrowings during the period in review.

Share of results of joint ventures and associates were a profit of \$0.3 million and \$0.1 million in 1H2023 respectively.

Income tax expense increased on the back of higher profit achieved during the period in review.

The Group had a profit attributable to equity holders of the Company of \$2.1 million for 1H2023.

#### Statement of Financial Position and Cash Flow Review

Right-of-use assets increased by \$2.2 million as the Group obtained a three-year Temporary Occupancy Licence in respect of a land parcel for storage purpose and also purchased some plant and machinery under finance lease arrangements. The amount of investment in joint ventures decreased by \$5.3 million with distribution of profits. Deferred tax assets were reduced as the tax benefits associated with the tax losses were now utilised.

For current assets, loans to a joint venture of \$5.0 million were fully repaid during the period.

Current contract assets increased by \$21.3 million arising mainly from an increase in contract assets from the sale of development properties relating to the residential units of The LINQ which the progressive claims from the purchasers are not due yet. Development properties increased by \$4.0 million due to capitalisation of the construction cost for the unsold commercial units of the development.

Current trade and other payables increased by \$11.3 million due to accrual of construction cost that has yet to be settled and an increase in retention payables. Other liabilities decreased by \$2.3 million mainly due to settlement of the amount payable to the vendor for the purchase of the factory at Seelong in Malaysia in December 2022 by drawing down a property loan obtained from a bank to finance it.

Contract liabilities decreased by \$3.5 million as project costs were progressively incurred.

## **BBR Holdings (S) Ltd and its subsidiaries**

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### **2. Review of performance of the Group (cont'd)**

Current and non-current lease liabilities increased with the three-year Temporary Occupancy Licence in respect of a land parcel and plant and machinery purchased under finance lease arrangements.

Short term borrowings increased mainly due to trade financing obtained for purchase of materials.

An additional term loan of \$3.0 million was obtained for the purchase of the factory at Seelong in Malaysia. With repayment of other existing term loans, non-current borrowings decreased by \$4.7 million.

For the financial period ended 30 June 2023, operating cash flows before working capital changes stood at \$9.5 million. However, there was a net cash used in operating activities of \$7.5 million due to the timing of progressive claims for The LINQ which resulted in an increase in contract assets and construction cost incurred for the commercial retail podium of The LINQ.

Net cash generated from investing activities was \$9.1 million. This comprised \$5.6 million from the distribution of profits from joint ventures, \$3.9 million from repayment of loans from a joint venture and net cash outflow of \$0.4 million arising from the purchase and disposal of property, plant and equipment.

Net cash used in financing activities amounted to \$7.8 million. This was mainly due to repayment of \$7.6 million for long term borrowings and \$2.4 million for lease liabilities, offset by a reduction in pledged deposits of \$0.3 million and proceeds of \$2.6 million from total borrowings. The Company also paid final dividend of \$1 million declared for the last financial year after obtaining shareholders' approval in the annual general meeting held on 27 April 2023.

The Group's cash holding was \$44.7 million as at 30 June 2023, down by \$6.3 million from \$51.0 million as at the end of the last financial year.

## **BBR Holdings (S) Ltd and its subsidiaries**

Announcement of Half-Year Results for the Financial Period 30 June 2023

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

There was no forecast or prospect statement on financial performance previously disclosed to shareholders. The actual results for the full financial year is in line with the commentary made in the full-year results announcement made on 1 March 2023.

**4. 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 operating period and the next 12 months**

On 14 July 2023, the Ministry of Trade and Industry (“MTI”) announced that the Singapore economy grew by 0.7 per cent on a year-on-year basis in the second quarter of 2023, faster than the 0.4 per cent growth recorded in the previous quarter.

The construction sector grew by 6.6 per cent year-on-year in the second quarter, extending the 6.9 per cent growth in the first quarter. Growth during the quarter was supported by expansions in both public and private sector construction output.

Uncertainties in the global economies remain. The Group expects operating conditions in the construction sector to remain challenging. With the shortage of labour supply and an inflationary cost environment, overall construction cost and operating expenses are expected to rise. The rising interest rates will continue to add upward pressure on finance costs.

The Group will continue to stay vigilant on managing its project costs and operating expenses. It will remain focus on executing the order book on hand and leverage on its track record in building construction and specialised engineering to secure more projects.

In property development, the Group has put up for sale the two-storey retail podium with 53 strata-titled units at The LINQ through an expression of interest exercise.

The Group is supported by a healthy pipeline of projects. New contracts secured in the first half-year include two general construction projects worth approximately \$200 million. As at 30 June 2023, the Group has a construction order book of approximately \$533 million.

Reference:

Ministry of Trade and Industry Singapore Press Release “Singapore’s GDP Grew by 0.7 Per Cent in the Second Quarter of 2023”, 14 July 2023

## **BBR Holdings (S) Ltd and its subsidiaries**

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### **5. Dividend information**

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? No

A tax exempt one-tier first and final cash dividend of 0.3 cents per share in respect of the financial year ended 31 December 2022 totaling \$967,159 was approved by shareholders on 27 April 2023 and paid on 24 May 2023.

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

A tax exempt one-tier first and final cash dividend of 0.3 cents per share in respect of the financial year ended 31 December 2021 totaling \$967,165 was approved by shareholders on 29 April 2022 and paid on 25 May 2022.

5c. Date Payable

Not applicable

5d. Books Closure Date

Not applicable

5e. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended for the six months ended 30 June 2023 as cash is conserved for its business operations and expansion.

### **6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

### **7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

By Order of the Board

TAN KHENG HWEE ANDREW

Chief Executive Officer

11 August 2023

**BBR Holdings (S) Ltd and its subsidiaries**

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**Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2023 to be false or misleading in any material aspect.

On behalf of the Board of Directors



TAN KHENG HWEE ANDREW  
Chief Executive Officer



LIM BOON CHENG  
Independent Non-Executive Director

Singapore  
11 August 2023