



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

Condensed Interim Financial Statements  
For the six months ended 30 June 2022

**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 2022**

	Note	Group		Change %
		6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000	
<b>Revenue</b>	4	74,154	78,114	(5.1)
<b>Cost of sales</b>		<u>(63,519)</u>	<u>(73,704)</u>	(13.8)
<b>Gross profit</b>		10,635	4,410	141.2
Other operating income		2,245	885	153.7
Other (expense)/income		(206)	471	N.M
Administrative costs		(1,842)	(1,891)	(2.6)
Other operating costs		(7,650)	(7,769)	(1.5)
Finance costs		(1,539)	(2,035)	(24.4)
Share of results of joint ventures		231	531	(56.5)
Share of results of associates		6	215	(97.2)
<b>Profit/(loss) before taxation</b>	6	1,880	(5,183)	N.M
Income tax (expense)/credit	7	(177)	14	N.M
<b>Profit/(loss) for the period</b>		<u><b>1,703</b></u>	<u><b>(5,169)</b></u>	N.M
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified</b>				
<b>subsequently to profit or loss</b>				
Foreign currency translation loss		<u>(360)</u>	<u>(174)</u>	106.9
Other comprehensive income for the period		<u>(360)</u>	<u>(174)</u>	106.9
<b>Total comprehensive income for the period</b>		<u><b>1,343</b></u>	<u><b>(5,343)</b></u>	N.M
<b>Profit/(loss) attributable to:</b>				
Equity holders of the Company		1,746	(4,521)	N.M
Non-controlling interests		<u>(43)</u>	<u>(648)</u>	(93.4)
		<u><b>1,703</b></u>	<u><b>(5,169)</b></u>	N.M
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		1,368	(4,678)	N.M
Non-controlling interests		<u>(25)</u>	<u>(665)</u>	(96.2)
		<u><b>1,343</b></u>	<u><b>(5,343)</b></u>	N.M
Earnings/(loss) per share (cents per share)				
Basic	9	<u><b>0.54</b></u>	<u><b>(1.40)</b></u>	N.M
Diluted	9	<u><b>0.54</b></u>	<u><b>(1.40)</b></u>	N.M

N.M. - Not meaningful

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim statements of financial position**  
**As at 30 June 2022**

	Note	Group		Company	
		30-Jun-22 \$'000	31-Dec-21 \$'000	30-Jun-22 \$'000	31-Dec-21 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	26,499	27,134	12,226	12,230
Right-of-use assets		4,420	3,497	1,827	1,853
Investments in subsidiaries		-	-	61,059	61,059
Investments in joint ventures		6,157	5,993	-	-
Investments in associates		1,481	1,476	260	260
Deferred tax assets		3,021	3,198	-	-
Contract assets	13	14,183	15,612	-	-
Loans to a joint venture		5,418	8,725	-	-
		<u>61,179</u>	<u>65,635</u>	<u>75,372</u>	<u>75,402</u>
<b>Current assets</b>					
Trade receivables	5,12	13,539	11,942	-	-
Amounts due from subsidiaries		-	-	3,370	5,145
Contract assets	13	75,250	87,206	-	-
Capitalised contract costs	14	5,337	5,684	-	-
Development properties	15	73,871	73,641	-	-
Properties held for sale		1,697	1,749	-	-
Inventories		4,234	4,163	-	-
Investment securities		11	8	-	-
Other receivables		7,690	6,048	183	190
Pledged deposits		5,947	4,033	-	-
Cash and bank balances		69,415	59,474	765	520
Income tax recoverable		234	314	-	-
		<u>257,225</u>	<u>254,262</u>	<u>4,318</u>	<u>5,855</u>
<b>Total assets</b>		<b>318,404</b>	<b>319,897</b>	<b>79,690</b>	<b>81,257</b>
<b>Current liabilities</b>					
Amounts due to subsidiaries		-	-	14,460	14,290
Contract liabilities	13	24,258	16,947	-	-
Trade and other payables	5	36,875	44,240	243	208
Provisions		7,296	8,645	-	-
Deferred income		197	193	-	-
Other liabilities		5,760	5,627	176	755
Lease liabilities		1,132	921	26	26
Loans and borrowings	16	5,614	4,773	541	541
Income tax payable		105	279	5	5
		<u>81,237</u>	<u>81,625</u>	<u>15,451</u>	<u>15,825</u>
<b>Net current assets/(liabilities)</b>		<b>175,988</b>	<b>172,637</b>	<b>(11,133)</b>	<b>(9,970)</b>

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim statements of financial position**  
**As at 30 June 2022**

	Note	Group		Company	
		30-Jun-22 \$'000	31-Dec-21 \$'000	30-Jun-22 \$'000	31-Dec-21 \$'000
<b>Non-current liabilities</b>					
Trade payables	5	2,774	3,879	-	-
Deferred income		2,538	2,592	-	-
Lease liabilities		3,520	2,676	2,002	2,016
Loans and borrowings	16	138,085	139,251	7,422	7,754
		<u>146,917</u>	<u>148,398</u>	<u>9,424</u>	<u>9,770</u>
<b>Total liabilities</b>		<b>228,154</b>	<b>230,023</b>	<b>24,875</b>	<b>25,595</b>
<b>Net assets</b>		<b>90,250</b>	<b>89,874</b>	<b>54,815</b>	<b>55,662</b>
<b>Equity attributable to equity holders of the Company</b>					
Share capital	18	49,082	49,082	49,082	49,082
Treasury shares	19	(566)	(566)	(566)	(566)
Retained earnings		48,655	47,876	6,299	7,146
Foreign currency translation reserve		(299)	79	-	-
		<u>96,872</u>	<u>96,471</u>	<u>54,815</u>	<u>55,662</u>
Non-controlling interests		(6,622)	(6,597)	-	-
<b>Total equity</b>		<b>90,250</b>	<b>89,874</b>	<b>54,815</b>	<b>55,662</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 2022

**Group**

	Attributable to equity holders of the Company						
	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 2022</b>	49,082	(566)	47,876	79	96,471	(6,597)	89,874
<b>Total comprehensive income</b>							
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
<b>Contributions by and distribution to owners</b>							
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>

	Attributable to equity holders of the Company						
	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 2021</b>	49,082	(566)	46,278	121	94,915	(4,909)	90,006
<b>Total comprehensive income</b>							
Loss for the period	-	-	(4,521)	-	(4,521)	(648)	(5,169)
Other comprehensive income for the period	-	-	-	(157)	(157)	(17)	(174)
<b>Total comprehensive income for the period</b>	-	-	(4,521)	(157)	(4,678)	(665)	(5,343)
<b>Balance at 30 June 2021</b>	<b>49,082</b>	<b>(566)</b>	<b>41,757</b>	<b>(36)</b>	<b>90,237</b>	<b>(5,574)</b>	<b>84,663</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**  
Condensed Interim Financial Statements

**Condensed interim statements of changes in equity**  
**For the 6 months ended 30 June 2022**

<u>Company</u>	<u>Attributable to equity holders of the Company</u>			
	<u>Share capital</u> <u>\$'000</u>	<u>Treasury shares</u> <u>\$'000</u>	<u>Retained earnings</u> <u>\$'000</u>	<u>Total equity</u> <u>\$'000</u>
<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>Contributions by and 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>
<b>Balance at 1 January 2021</b>	49,082	(566)	7,273	55,789
<u>Total comprehensive income</u>				
Profit for the period	-	-	641	641
<b>Total comprehensive income for the period</b>	-	-	641	641
<b>Balance at 30 June 2021</b>	<b>49,082</b>	<b>(566)</b>	<b>7,914</b>	<b>56,430</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**  
Condensed Interim Financial Statements

**Condensed interim consolidated statement of cash flows**  
**For the 6 months ended 30 June 2022**

	Group	
	6 months ended	6 months ended
	30 June	30 June
	2022	2021
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
Profit/(loss) before taxation	1,880	(5,183)
Adjustments for:		
Depreciation of property, plant and equipment	1,145	1,170
Depreciation of right-of-use assets	683	634
Amortisation of deferred income	(100)	(97)
Amortisation of capitalised contract costs	450	68
Allowance for inventory obsolescence	-	8
(Write back)/loss provision on trade receivables, other receivables and contract assets	(111)	734
Share of results of joint ventures	(231)	(531)
Share of results of associates	(6)	(215)
Accreted interest	103	128
Fair value gain on derivatives	-	(750)
Gain on disposal of property, plant and equipment	(276)	(30)
Interest income	(24)	(56)
Interest expense	1,436	1,907
<b>Operating cash flows before working capital changes</b>	<b>4,949</b>	<b>(2,213)</b>
<u>Changes in working capital</u>		
Development properties	(230)	5,766
Contract assets	12,836	(7,249)
Capitalised contract costs	(103)	-
Trade receivables	(1,668)	30,792
Other receivables	(1,695)	1,345
Inventories	(130)	(209)
Trade and other payables	(9,179)	(3,094)
Contract liabilities	7,522	4,717
Other liabilities	(390)	(7,140)
<b>Cash generated from operations</b>	<b>11,912</b>	<b>22,715</b>
Interest paid	(1,109)	(1,735)
Interest received	24	68
Income tax paid	(94)	(63)
<b>Net cash generated from operating activities</b>	<b>10,733</b>	<b>20,985</b>



**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 2022**

	Group	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(546)	(522)
Proceeds from disposal of property, plant and equipment	296	43
Distribution of profits from joint ventures	64	69
Repayment of loans to a joint venture	3,307	-
<b>Net cash generated from/(used in) investing activities</b>	<b>3,121</b>	<b>(410)</b>
<b>Cash flows from financing activities</b>		
Proceeds from/(repayment of) short term borrowings	642	(496)
Dividends paid on ordinary shares to equity holders of the Company	(967)	-
Proceeds from long term borrowings	-	5,000
Repayment of long term borrowings	(887)	(15,791)
Repayment of lease liabilities	(648)	(702)
Increase in pledged deposits	(2,000)	(11)
Loans from non-controlling interests	-	3,078
<b>Net cash used in financing activities</b>	<b>(3,860)</b>	<b>(8,922)</b>
Net increase in cash and cash equivalents	9,994	11,653
Effect of exchange rate changes on cash and cash equivalents	(53)	(80)
Cash and cash equivalents at beginning of the period	59,474	53,566
<b>Cash and cash equivalents at end of the period</b>	<b>69,415</b>	<b>65,139</b>
<u>Comprising:</u>		
Cash and bank balances	24,547	34,859
Fixed deposits	50,815	34,511
	75,362	69,370
Less: Fixed deposits pledged with financial institutions	(5,947)	(4,231)
	<b>69,415</b>	<b>65,139</b>

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

### Condensed Interim Financial Statements

#### **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 2022 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 2021.

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 2021.

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 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
<b>Total revenue</b>	<b>41,972</b>	<b>25,246</b>	<b>14,893</b>	<b>1,306</b>	<b>83,417</b>
<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>	<b>83,960</b>	<b>25,649</b>	<b>184,105</b>	<b>9,673</b>	<b>303,387</b>
<b>Segment liabilities</b>	<b>48,753</b>	<b>29,761</b>	<b>135,801</b>	<b>3,353</b>	<b>217,668</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 2021 to 30 June 2021</u></b>					
<b>Revenue</b>					
External revenue	46,880	26,900	2,227	2,060	<b>78,067</b>
Inter-segment revenue	1,631	180	-	70	<b>1,881</b>
Total revenue	<b>48,511</b>	<b>27,080</b>	<b>2,227</b>	<b>2,130</b>	<b>79,948</b>
<b>Results:</b>					
Interest income	(15)	(2)	(39)	-	<b>(56)</b>
Interest expense	109	-	1,616	10	<b>1,735</b>
Depreciation of property, plant and equipment	646	13	6	318	<b>983</b>
Depreciation of right-of-use assets	609	-	-	-	<b>609</b>
Share of results of associates	(193)	-	(22)	-	<b>(215)</b>
Share of results of joint ventures	-	(69)	(462)	-	<b>(531)</b>
<b>Other non-cash items:</b>					
Allowance for inventories obsolescence	8	-	-	-	<b>8</b>
Amortisation of deferred income	-	-	-	(97)	<b>(97)</b>
Amortisation of capitalised contract cost	-	-	68	-	<b>68</b>
Accreted interest	77	-	-	51	<b>128</b>
Fair value gain on derivatives	-	-	(750)	-	<b>(750)</b>
Loss provision on trade receivables, other receivables and contract assets	734	-	-	-	<b>734</b>
Segment (loss)/profit before taxation	(2,903)	91	(739)	87	<b>(3,464)</b>
Income tax (credit)/expense	(26)	-	12	-	<b>(14)</b>
<b>Assets</b>					
Investments in joint ventures	73	-	9,978	-	<b>10,051</b>
Investments in associates	1,084	-	206	-	<b>1,290</b>
Additions to property, plant and equipment	541	9	(40)	5	<b>515</b>
<b>Segment assets</b>	<b>73,778</b>	<b>23,113</b>	<b>192,378</b>	<b>11,605</b>	<b>300,874</b>
<b>Segment liabilities</b>					
	<b>44,984</b>	<b>35,511</b>	<b>135,910</b>	<b>4,300</b>	<b>220,705</b>

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

Reconciliations of reported segment revenue, profit/(loss) before taxation, and other material items

	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
<b>Revenue</b>		
Total revenue for reportable segments	83,417	79,948
Management fee from an associate	44	47
Elimination of intersegment revenue	(9,307)	(1,881)
	<u>74,154</u>	<u>78,114</u>
<b>Profit/(loss) before tax</b>		
Total profit/(loss) before taxation for reportable segments	3,568	(3,464)
Management fee from an associate	44	47
Unallocated amounts:		
Other corporate income	117	87
Other corporate expenses	(1,849)	(1,853)
	<u>1,880</u>	<u>(5,183)</u>

Reconciliations of reported segment assets and liabilities

	<b>30-Jun-22 \$'000</b>	<b>30-Jun-21 \$'000</b>
<b>Assets</b>		
Total assets for reportable segments	303,387	300,874
Other unallocated amounts	15,017	15,878
	<u>318,404</u>	<u>316,752</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	217,668	220,705
Other unallocated amounts	10,486	11,384
	<u>228,154</u>	<u>232,089</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 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
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>

	<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 2021 to 30 June 2021</u></b>					
Types of goods or services:					
Revenue from contracts with customers	46,880	26,900	2,227	1,459	77,466
Other revenue:					
Solar leasing income	-	-	-	601	601
	<u>46,880</u>	<u>26,900</u>	<u>2,227</u>	<u>2,060</u>	<u>78,067</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services

At a point in time	265	-	-	56	321
Over time	46,615	26,900	2,227	1,403	77,145
	<u>46,880</u>	<u>26,900</u>	<u>2,227</u>	<u>1,459</u>	<u>77,466</u>

Geographical information:

Singapore	26,642	26,900	2,227	1,459	57,228
Malaysia	13,895	-	-	-	13,895
Thailand	6,343	-	-	-	6,343
	<u>46,880</u>	<u>26,900</u>	<u>2,227</u>	<u>1,459</u>	<u>77,466</u>

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**5. Financial assets and financial liabilities**

	Group		Company	
	30-Jun-22 \$'000	31-Dec-21 \$'000	30-Jun-22 \$'000	31-Dec-21 \$'000
<b>Financial assets measured at amortised cost</b>				
Contract receivables				
- External parties	12,796	11,642	-	-
Goods and services tax receivable	743	300	-	-
<b>Total trade receivables</b>	<u>13,539</u>	<u>11,942</u>	<u>-</u>	<u>-</u>
Less				
- Goods and services tax receivable	(743)	(300)	-	-
Add:				
- Loans to a joint venture	5,418	8,725	-	-
- Amounts due from subsidiaries	-	-	3,370	5,145
- Other receivables, excluding prepayments	6,975	5,463	171	121
- Pledged deposits	5,947	4,033	-	-
- Cash and cash equivalents	69,415	59,474	765	520
<b>Total financial assets measured at amortised cost</b>	<u>100,551</u>	<u>89,337</u>	<u>4,306</u>	<u>5,786</u>
<b>Financial assets measured at fair value through profit or loss</b>				
Investment securities	11	8	-	-

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

	Group		Company	
	30-Jun-22 \$'000	31-Dec-21 \$'000	30-Jun-22 \$'000	31-Dec-21 \$'000
<b>Financial liabilities measured at amortised cost</b>				
<b>Non-current:</b>				
Retention payables	2,774	3,879	-	-
<b>Current:</b>				
Trade payables	29,129	37,497	60	53
Retention payables	5,006	4,409	-	-
Other payables	1,805	1,713	150	153
Goods and services tax payable	935	621	33	2
	<u>36,875</u>	<u>44,240</u>	<u>243</u>	<u>208</u>
<b>Total trade and other payables</b>	39,649	48,119	243	208
Less:				
Goods and services tax payable	(935)	(621)	(33)	(2)
Add:				
- Amounts due to subsidiaries	-	-	14,460	14,290
- Other liabilities	5,760	5,627	176	755
- Lease liabilities	4,652	3,597	2,028	2,042
- Loans and borrowings	143,699	144,024	7,963	8,295
<b>Total financial liabilities measured at amortised cost</b>	<u>192,825</u>	<u>200,746</u>	<u>24,837</u>	<u>25,588</u>

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

**6. Profit/(loss) 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 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>	<b>Change %</b>
Depreciation of property, plant and equipment	1,145	1,170	(2.1)
Depreciation of right-of-use assets	683	634	7.7
Amortisation of deferred income	(100)	(97)	3.1
Amortisation of capitalised contract costs	450	68	561.8
Gain on disposal of property, plant and equipment	(276)	(30)	820.0
Allowance for inventory obsolescence	-	8	(100.0)
(Write back)/loss provision on trade receivables, other receivables and contract assets	(111)	734	N.M
Interest expense	1,436	1,907	(24.7)
Accreted interest	103	128	(19.5)
Interest income	(24)	(56)	(57.1)
Rental income from premises	(424)	(342)	24.0
Foreign exchange loss	206	279	(26.2)
Fair value gain on derivatives	-	(750)	(100.0)
Over provision of current income tax in respect of prior years	-	(14)	(100.0)

N.M - Not meaningful

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**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 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
From an associate:		
Accounting services income	(17)	(34)
Recovery of license and other fees paid to a related party	(60)	(61)
Management fees income	(44)	(47)
From joint ventures:		
Accounting services income	(81)	(51)
Interest income on loans	-	(39)
Repayment of loans to a joint venture	3,307	-
License and other fees to a related party	244	239
Purchases from a related party	594	268
Management fee income from a related party	(58)	(63)
Rental expense paid to a director of the Company	48	49

**7. Income tax expense/(credit)**

	<b>Group</b>	
	<b>6 months ended 30 June 2022 \$'000</b>	<b>6 months ended 30 June 2021 \$'000</b>
<b><i>Consolidated statement of comprehensive income</i></b>		
Current income tax	-	-
Over provision of income tax in respect of previous years	-	(14)
	<u>-</u>	<u>(14)</u>
Deferred income tax:		
Origination and reversal of temporary differences	177	-
	<u>177</u>	<u>-</u>
Income tax expense/(credit) recognised in profit or loss	<u>177</u>	<u>(14)</u>

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**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 2021 totaling \$967,165 was approved by shareholders on 29 April 2022 and paid on 25 May 2022.

**9. Earnings/(loss) per share**

	<b>Group</b>	
	<b>6 months ended 30 June 2022 Cents</b>	<b>6 months ended 30 June 2021 Cents</b>
Earnings/(loss) per ordinary share of the Group attributable to equity holders		
(a) Based on the weighted average number of ordinary shares in issue	0.54	(1.40)
(b) On a fully diluted basis (detailing any adjustment made to earnings)	0.54	(1.40)
	<hr/> <hr/>	
	<b>Number of shares</b>	
Weighted average number of shares during the financial period	322,388,096	322,388,218
	<hr/> <hr/>	

**10. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-22</b>	<b>31-Dec-21</b>	<b>30-Jun-22</b>	<b>31-Dec-21</b>
Net asset value per ordinary share based on issued capital at the end of the period (cents)	30.05	29.92	17.00	17.27
	<hr/> <hr/>			
Number of shares as at the end of period/year	322,386,218	322,388,218	322,386,218	322,388,218
	<hr/> <hr/>			

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

**11. Property, plant and equipment**

During the six months ended 30 June 2022, the Group acquired assets amounting to \$546,000 (30 June 2021: \$522,000) and disposed of assets with net book value of \$20,000 (30 June 2021: \$13,000).

**12. Trade receivables**

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-22</b>	<b>31-Dec-21</b>	<b>30-Jun-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Trade receivables	17,936	18,100	-	-
Less: Allowance for expected credit losses	(4,397)	(6,158)	-	-
	13,539	11,942	-	-
Less				
- Goods and services tax receivable	(743)	(300)	-	-
Receivables from contracts with customers (Note 13)	12,796	11,642	-	-

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:

	<b>Group</b>			
	<b>Trade receivables</b>		<b>Contract assets</b>	
	<b>30-Jun-22</b>	<b>31-Dec-21</b>	<b>30-Jun-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
At beginning of period	6,158	6,114	6,982	5,940
(Credit)/charge for the period	(110)	131	(1)	1,135
Amount written off	(1,584)	(38)	(4,020)	(76)
Exchange differences	(67)	(49)	(44)	(17)
At end of period	4,397	6,158	2,917	6,982

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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-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Receivables from contracts with customers</b> (Note 12)	12,796	11,642
<b>Contract assets from construction contracts</b>		
<u>Current</u>		
Unbilled revenue	19,786	22,844
Retention receivables	6,796	4,485
Less: Provision for onerous contracts	(161)	(296)
	26,421	27,033
<u>Non-current</u>		
Retention receivables	14,183	15,612
	40,604	42,645
<b>Contract assets from sale of development properties</b>		
<u>Current</u>		
Capitalised fulfilment costs	85,434	91,199
Contract liabilities	(36,605)	(31,026)
	48,829	60,173
<b>Total contract assets</b>	89,433	102,818
Current	75,250	87,206
Non-current	14,183	15,612
<b>Total contract assets</b>	89,433	102,818
<b>Contract liabilities from construction contracts</b>		
Contract liabilities	23,845	16,139
Add: Provision for onerous contracts	413	808
<b>Total contract liabilities</b>	24,258	16,947

The movement in capitalised fulfilment costs is as follows:

	<b>Group</b>	
	<b>30-Jun-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of period	91,199	88,846
Additions	1,457	5,216
Amortisation	(7,222)	(2,863)
Balance at end of period	85,434	91,199



**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-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of period	1,104	4,116
Charge/(credit) to profit or loss	496	(683)
Utilisation	(1,026)	(2,329)
Balance at end of period	<u>574</u>	<u>1,104</u>

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

**14. Capitalised contract costs**

	<b>Group</b>	
	<b>30-Jun-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Capitalised incremental costs of obtaining contract – commission costs paid to property agents</b>		
Balance at beginning of period	5,684	5,557
Additions	103	305
Amortisation	(450)	(178)
Balance at end of period	5,337	5,684

**15. Development properties**

	<b>Group</b>	
	<b>30-Jun-22</b>	<b>31-Dec-21</b>
	<b>\$'000</b>	<b>\$'000</b>
Development costs	73,871	73,641

Assets pledged as security

The freehold land under development has been pledged as security for a bank loan (Note 16).

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-22	31-Dec-21		30-Jun-22	31-Dec-21
					%	%
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

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**16. Loans and borrowings**

	Group		Company	
	30-Jun-22 \$'000	31-Dec-21 \$'000	30-Jun-22 \$'000	31-Dec-21 \$'000
Amount repayable within one year or on demand:				
Secured	5,614	4,773	541	541
Unsecured	-	-	-	-
	<u>5,614</u>	<u>4,773</u>	<u>541</u>	<u>541</u>
Amount repayable after one year:				
Secured	107,381	108,547	7,422	7,754
Unsecured	30,704	30,704	-	-
	<u>138,085</u>	<u>139,251</u>	<u>7,422</u>	<u>7,754</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**

**17. 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-22</b>			<b>Total</b>
	<b>\$'000</b>			
	Fair value measurements at the end of the reporting period using			
<b>Group</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>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>	11	-	-	11
	11	-	-	11

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

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

	<b>31-Dec-21</b>			<b>Total</b>
	<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</u>				
<u>through profit or loss</u>				
<i>Quoted equity securities</i>	8	-	-	8
	8	-	-	8

(c) **Level 2 fair value measurements**

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

*Derivatives*

Interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, interest rate curves and forward rate curves.

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

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

(d) **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 2022 and 31 December 2021</b>			
<b>Recurring fair value measurements</b>			
<u>At fair value through profit or loss</u>			
Unquoted equity securities	–	Income approach	Dividend yield: Nil %

(e) **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 2022 and 31 December 2021.

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 16)

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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**18. Share capital**

	<b>Group and Company</b>			
	<b>30-Jun-22</b>		<b>31-Dec-21</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

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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 2022 was 322,386,218 (30 June 2021: 322,388,218). The total number of treasury shares held as at 30 June 2022 was 2,324,200 (30 June 2021: 2,322,200).

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 30 June 2022 and 30 June 2021.

**19. Treasury shares**

	<b>Group and Company</b>			
	<b>30-Jun-22</b>		<b>31-Dec-21</b>	
	<b>No. of shares</b>	<b>\$'000</b>	<b>No. of shares</b>	<b>\$'000</b>
At beginning and end of period	(2,324,200)	(566)	(2,322,200)	(566)

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

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.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 30 June 2022 and 30 June 2021.

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**20. Subsequent events**

The following events occurred subsequent to the financial period end:

- (a) On 15 July 2022, a sale and purchase agreement was entered by BBR Construction Systems (M) Sdn Bhd (“BBRM”), a wholly owned subsidiary of the Group, for the purchase of a property comprising a piece of freehold land together with a single storey factory erected thereon in the State of Johor, Malaysia (the “Property”). The purchase price of the Property is approximately \$5.1 million and is arrived at on a willing buyer willing seller basis taking into consideration the valuation of the Property.

The Property is currently occupied by the Group for use as a factory and holding yard for the fabrication and installation of Prefabricated Prefinished Volumetric Construction (“PPVC”) modules. Completion of the purchase is conditional upon approval being obtained from the Johor State Authority.

The purchase of the Property will be financed by both internal resources and external bank borrowings.

As the purchase of the Property involves an asset which is already in use by the Group for its operations and is within the ordinary course of business, this acquisition does not fall within Chapter 10 of the Listing Rules of the Singapore Exchange Securities Trading Limited.

- (b) Lakehomes Pte Ltd, a 35% owned associate company of the Group, has appointed a liquidator on 25 July 2022 to commence voluntary winding up of the company as the company has been dormant.
- (c) BBR Kovan Pte Ltd, a wholly owned subsidiary of the Group, has made an application to the Accounting and Corporate Regulatory Authority to strike off its name from the register as the company has ceased operations and is dormant.
- (d) Wisteria Mall Management Pte Ltd is a joint venture company in which the Group has a total shareholding interest of 32.525%. The Group holds 12.525% in Wisteria Mall Management Pte Ltd through its 25.05% owned joint venture company, NorthernOne Development Ptd Ltd, and another 20% through its 40% owned associate company, Trendsteq Pte Ltd.

Wisteria Mall Management Pte Ltd has made an application to the Accounting and Corporate Regulatory Authority to strike off its name from the register as the company has ceased operations and is dormant.



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

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

Company Registration No. 199304349M

Announcement of Half-Year Results for the Financial Period Ended 30 June 2022

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

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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 2022 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 2022 (“1H2022”) vs Six-Month Period Ended 30 June 2021 (“1H2021”)

Group revenue decreased 5.1% from \$78.1 million to \$74.2 million with lower contribution from the General Construction, Specialist Engineering and Green Technology business segments offset by higher contribution from the Property Development business segment. The decrease in revenue was mainly due to the substantial completion of a few projects since the last financial year end and lower construction activities in in Malaysia.

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 (Please refer to Note 15 of the Notes to the Condensed Interim Financial Statements). The residential units were fully sold as at the end of the current financial period as the sale transaction for one of the residential units which was aborted last year was subsequently sold in the first quarter of 2022. Using the Percentage of Completion (“POC”) basis, a revenue of \$14.9 million was recognised in 1H2022 as compared to \$2.2 million recognised in 1H2021.

The Group achieved an overall gross profit of \$10.6 million for 1H2022 as compared to a gross profit of \$4.4 million in 1H2021. Performance of all business segments improved and gross profit margin was 14.3% for 1H2022.

In accordance with the financial reporting standards, certain property development costs are recognised as cost of sales progressively on a POC basis in line with revenue recognition, whilst some development costs are recognised as cost of sales immediately when incurred. The accounting treatment of property development costs resulted in a timing difference for the recognition of revenue versus certain cost of sales. A gross profit of \$3.4 million was recognised in 1H2022 versus a gross loss of \$0.2 million recorded in 1H2021 for the Property Development segment. Additionally, some construction project losses previously recognised were reduced and reversed upon substantial completion of these projects.

Other operating income increased by 153.7% with a one-off income arising from a settlement with a supplier and an increase in gain on disposal of property, plant and equipment.

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

Other income/expense comprised foreign exchange differences and fair value adjustment on derivatives amounting to a loss of \$0.2 million and a gain of \$0.5 million for 1H2022 and 1H2021 respectively. The fair value adjustment on derivatives in 1H2021 arose from the interest rate swaps entered into by the Group to hedge against interest rate movements on a long term loan. The Group does not apply hedge accounting.

Administrative costs and other operating costs decreased marginally by 2.6% and 1.5% respectively.

Finance costs decreased by \$0.5 million or 24.4% with a lower average interest rate on bank borrowings.

Share of results of joint ventures was \$0.2 million and \$0.5 million in 1H2022 and 1H2021 respectively.

Share of results of associates was a small profit of \$6,000 in 1H2022 as compared to a \$0.2 million in 1H2021.

The Group had a profit attributable to equity holders of the Company of \$1.7 million for 1H2022 versus a loss of \$4.5 million incurred in 1H2021.

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

Current contract assets decreased by \$12.0 million as progress payment was collected during the financial period from the sale of development properties.

Trade receivables increased by \$1.6 million due to progress billings raised in the second quarter of 2022 which has yet to be collected. Other receivables also increased by \$1.6 million because of downpayment to suppliers for purchase of materials and training fees recoverable in respect of training services provided by the BCA Approved Training and Testing Centre operated by the Group which conducts training courses and offers test enrolment services for the construction industry.

Current trade and other payables decreased by \$7.4 million with subsequent settlement of accounts payables after the last financial year end.

Contract liabilities increased as a result of progress billings raised.

Short term borrowings increased due to trade financing obtained for purchase of materials. This was offset by repayment of long term borrowings, resulting which, there was a net decrease in total loans and borrowings by \$0.3 million.

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

For the financial period ended 30 June 2022, the Group generated cash amounting to \$11.9 million from operations. This was mainly due to the progress payment collected from The LINQ.

Net cash of \$3.1 million was generated from investing activities for the current financial period which includes a repayment of loans of \$3.3 million from a joint venture.

Net cash used in financing activities amounted to \$3.9 million. This was mainly due to additional \$2 million in pledged deposits and the repayment of \$1.5 million for both short and long term borrowings and lease liabilities, offset by additional short term borrowings of \$0.6 million. 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 29 April 2022.

The Group's cash holding was \$69.4 million as at 30 June 2022, up by \$10.0 million from \$59.5 million as at the end of the last financial year.

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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 28 February 2022.

**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 2022, the Ministry of Trade and Industry (“MTI”) announced that the Singapore economy grew by 4.8 per cent on a year-on-year basis in the second quarter of 2022, extending the 4.0 per cent growth in the previous quarter.

The construction sector grew by 3.8 per cent on a year-on-year basis in the second quarter of 2022, faster than the 1.8 per cent growth in the previous quarter. In absolute terms, the value-added of the sector remained 23.7 per cent below its pre-pandemic level due to continued labour shortages as the inflow of migrant workers would take time to recover.

Globally the on-going Russia-Ukraine conflict has resulted in soaring energy and commodity prices, intensified inflationary pressures and increased uncertainty on the recovery of global economy. New waves of Covid-19 infections in China and its lockdown may further exacerbate global supply chain disruptions.

Although there is a pick-up in construction activities, the industry will continue to face various challenges. The shortage of labour supply and high cost of recruiting migrant workers, supply chain disruptions which drove up the cost of materials, machinery and transport and rising oil prices have much affected the construction sector.

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 February this year, the Group’s 50% owned joint venture was awarded a new civil contract of \$363 million for the design and construction of Pasir Ris East station under the first phase of the Cross Island Line by the Land Transport Authority (“Contract CR107”).

The Group has an order book of approximately \$218 million as at 30 June 2022 excluding Contract CR107.

Reference:

Ministry of Trade and Industry Singapore Press Release “Singapore’s GDP Grew by 4.8 Per Cent in the Second Quarter of 2022”, 13 July 2022

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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 2021 totalling \$967,165 was approved by shareholders on 29 April 2022 and paid on 25 May 2022.

5b. Corresponding Period of the Immediate Preceding Financial Year

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

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 2022 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

12 August 2022

**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 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors



TAN KHENG HWEE ANDREW  
Chief Executive Officer



CARRIE LUK KA LAI  
Independent Non-Executive Director

Singapore  
12 August 2022