



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

Condensed Interim Financial Statements
For the six months and full year ended 31 December 2022

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

Contents	Page
Condensed interim consolidated statement of comprehensive income	1
Condensed interim statements of financial position	2
Condensed interim statements of changes in equity	4
Condensed interim consolidated statement of cash flows	6
Notes to the condensed interim consolidated financial statements	8
Other information required by Listing Rule Appendix 7.2	33

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

Condensed interim consolidated statement of comprehensive income
For the 12 months ended 31 December 2022

	Note	Group					
		6 months ended 31 December	6 months ended 31 December	Change	12 months ended 31 December	12 months ended 31 December	Change
		2022 \$'000	2021 \$'000	%	2022 \$'000	2021 \$'000	%
Revenue	4	96,331	101,840	(5.4)	170,485	179,954	(5.3)
Cost of sales		<u>(80,004)</u>	<u>(85,282)</u>	(6.2)	<u>(143,523)</u>	<u>(158,986)</u>	(9.7)
Gross profit		16,327	16,558	(1.4)	26,962	20,968	28.6
Other operating income		1,629	2,206	(26.2)	3,874	3,091	25.3
Other (expense)/income		(311)	487	N.M	(517)	958	N.M
Administrative costs		(1,973)	(1,670)	18.1	(3,815)	(3,561)	7.1
Other operating costs		(9,485)	(6,907)	37.3	(17,135)	(14,676)	16.8
Finance costs		(3,180)	(1,914)	66.1	(4,719)	(3,949)	19.5
Share of results of joint ventures		175	(3,978)	N.M	406	(3,447)	N.M.
Share of results of associates		<u>186</u>	<u>186</u>	-	<u>192</u>	<u>401</u>	(52.1)
Profit/(loss) before taxation	6	3,368	4,968	(32.2)	5,248	(215)	N.M
Income tax (expense)/credit	7	(100)	122	N.M.	(277)	136	N.M
Profit/(loss) for the period		<u>3,268</u>	<u>5,090</u>	(35.8)	<u>4,971</u>	<u>(79)</u>	N.M
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss							
Foreign currency translation (loss)/gain		<u>(419)</u>	<u>121</u>	N.M	<u>(779)</u>	<u>(53)</u>	1,369.8
Other comprehensive income for the period		<u>(419)</u>	<u>121</u>	N.M	<u>(779)</u>	<u>(53)</u>	1,369.8
Total comprehensive income for the period		<u>2,849</u>	<u>5,211</u>	(45.3)	<u>4,192</u>	<u>(132)</u>	N.M
Profit/(loss) attributable to:							
Equity holders of the Company		3,942	6,119	(35.6)	5,688	1,598	255.9
Non-controlling interests		<u>(674)</u>	<u>(1,029)</u>	(34.5)	<u>(717)</u>	<u>(1,677)</u>	(57.2)
		<u>3,268</u>	<u>5,090</u>	(35.8)	<u>4,971</u>	<u>(79)</u>	N.M
Total comprehensive income attributable to:							
Equity holders of the Company		3,504	6,234	(43.8)	4,872	1,556	213.1
Non-controlling interests		<u>(655)</u>	<u>(1,023)</u>	(36.0)	<u>(680)</u>	<u>(1,688)</u>	(59.7)
		<u>2,849</u>	<u>5,211</u>	(45.3)	<u>4,192</u>	<u>(132)</u>	N.M
Earnings per share (cents per share)							
Basic	9	<u>1.22</u>	<u>1.90</u>	(35.8)	<u>1.76</u>	<u>0.50</u>	252.0
Diluted	9	<u>1.22</u>	<u>1.90</u>	(35.8)	<u>1.76</u>	<u>0.50</u>	252.0

N.M. - Not meaningful

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

Condensed interim statements of financial position
As at 31 December 2022

	Note	Group		Company	
		31-Dec-22 \$'000	31-Dec-21 \$'000	31-Dec-22 \$'000	31-Dec-21 \$'000
Non-current assets					
Property, plant and equipment	11	30,699	27,134	12,022	12,230
Right-of-use assets		3,025	3,497	1,801	1,853
Investments in subsidiaries		-	-	59,348	61,059
Investments in joint ventures		6,231	5,993	-	-
Investments in associates		1,668	1,476	260	260
Deferred tax assets		2,921	3,198	-	-
Contract assets	13	11,046	15,612	-	-
Loans to a joint venture		-	8,725	-	-
		<u>55,590</u>	<u>65,635</u>	<u>73,431</u>	<u>75,402</u>
Current assets					
Trade receivables	5,12	12,874	11,942	-	-
Loans to a joint venture		5,042	-	-	-
Amounts due from subsidiaries		-	-	3,348	5,145
Contract assets	13	92,829	87,206	-	-
Capitalised contract costs	14	4,439	5,684	-	-
Development properties	15	79,028	73,641	-	-
Properties held for sale		1,222	1,749	-	-
Inventories		3,571	4,163	-	-
Investment securities		10	8	-	-
Other receivables		7,312	6,048	74	190
Pledged deposits		4,700	4,033	-	-
Cash and bank balances		50,989	59,474	355	520
Income tax recoverable		429	314	-	-
		<u>262,445</u>	<u>254,262</u>	<u>3,777</u>	<u>5,855</u>
Total assets		318,035	319,897	77,208	81,257
Current liabilities					
Amounts due to subsidiaries		-	-	14,330	14,290
Contract liabilities	13	19,481	16,947	-	-
Trade and other payables	5	50,872	44,240	211	208
Provisions		4,391	8,645	-	-
Deferred income		200	193	-	-
Other liabilities		9,641	5,627	1,022	755
Lease liabilities		854	921	27	26
Loans and borrowings	16	5,714	4,773	545	541
Income tax payable		41	279	5	5
		<u>91,194</u>	<u>81,625</u>	<u>16,140</u>	<u>15,825</u>
Net current assets/(liabilities)		171,251	172,637	(12,363)	(9,970)

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

Condensed interim statements of financial position
As at 31 December 2022

	Note	Group		Company	
		31-Dec-22 \$'000	31-Dec-21 \$'000	31-Dec-22 \$'000	31-Dec-21 \$'000
Non-current liabilities					
Trade payables	5	451	3,879	-	-
Deferred income		2,483	2,592	-	-
Lease liabilities		3,007	2,676	1,989	2,016
Loans and borrowings	16	127,801	139,251	7,132	7,754
		<u>133,742</u>	<u>148,398</u>	<u>9,121</u>	<u>9,770</u>
Total liabilities		224,936	230,023	25,261	25,595
Net assets		93,099	89,874	51,947	55,662
Equity attributable to equity holders of the Company					
Share capital	18	49,082	49,082	49,082	49,082
Treasury shares	19	(566)	(566)	(566)	(566)
Retained earnings		52,597	47,876	3,431	7,146
Foreign currency translation reserve		(737)	79	-	-
		<u>100,376</u>	<u>96,471</u>	<u>51,947</u>	<u>55,662</u>
Non-controlling interests		(7,277)	(6,597)	-	-
Total equity		93,099	89,874	51,947	55,662

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

Condensed interim statements of changes in equity
For the financial year ended 31 December 2022

<u>Group</u>	Attributable to equity holders of the Company						
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2022	49,082	(566)	47,876	79	96,471	(6,597)	89,874
<u>Total comprehensive income</u>							
Profit for the year	-	-	5,688	-	5,688	(717)	4,971
Other comprehensive income for the year	-	-	-	(816)	(816)	37	(779)
Total comprehensive income for the year	-	-	5,688	(816)	4,872	(680)	4,192
<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)	-	(967)
Total transactions with owners in their capacity as owners	-	-	(967)	-	(967)	-	(967)
Balance at 31 December 2022	49,082	(566)	52,597	(737)	100,376	(7,277)	93,099

<u>Group</u>	Attributable to equity holders of the Company						
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Foreign currency translation reserve S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2021	49,082	(566)	46,278	121	94,915	(4,909)	90,006
<u>Total comprehensive income</u>							
Profit/(loss) for the year	-	-	1,598	-	1,598	(1,677)	(79)
Other comprehensive income for the year	-	-	-	(42)	(42)	(11)	(53)
Total comprehensive income for the year	-	-	1,598	(42)	1,556	(1,688)	(132)
Balance at 31 December 2021	49,082	(566)	47,876	79	96,471	(6,597)	89,874

* 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 financial year ended 31 December 2022

Company

	Attributable to equity holders of the Company			
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 January 2022	49,082	(566)	7,146	55,662
<u>Total comprehensive income</u>				
Loss for the year	-	-	(2,748)	(2,748)
Total comprehensive income for the year	-	-	(2,748)	(2,748)
<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)
Total transactions with owners in their capacity as owners	-	-	(967)	(967)
Balance at 31 December 2022	49,082	(566)	3,431	51,947

Company

	Attributable to equity holders of the Company			
	Share capital S\$'000	Treasury shares S\$'000	Retained earnings S\$'000	Total equity S\$'000
Balance at 1 January 2021	49,082	(566)	7,273	55,789
<u>Total comprehensive income</u>				
Loss for the year	-	-	(127)	(127)
Total comprehensive income for the year	-	-	(127)	(127)
Balance at 31 December 2021	49,082	(566)	7,146	55,662

* 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 12 months ended 31 December 2022

	Group	
	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
Cash flows from operating activities		
Profit/(loss) before taxation	5,248	(215)
Adjustments for:		
Depreciation of property, plant and equipment	2,404	2,336
Depreciation of right-of-use assets	1,236	1,197
Amortisation of deferred income	(200)	(193)
Write-off of creditors	(166)	-
Amortisation of capitalised contract costs	1,348	178
(Write back)/allowance for inventory obsolescence	(18)	8
Impairment loss on property, plant and equipment and right-of-use asset	1,196	-
Impairment loss on properties held for sale	160	-
(Write back)/loss provision on trade receivables, other receivables and contract assets	(461)	1,273
Share of results of joint ventures	(406)	3,447
Share of results of associates	(192)	(401)
Accreted interest	190	301
Fair value gain on derivatives	-	(1,431)
Gain on disposal of property, plant and equipment	(380)	(63)
Interest income	(288)	(110)
Interest expense	4,530	3,648
Operating cash flows before working capital changes	14,201	9,975
<u>Changes in working capital</u>		
Development properties	(5,387)	3,433
Properties held for sale	247	224
Contract assets	(2,382)	(17,633)
Capitalised contract costs	(103)	(305)
Trade receivables	(725)	29,477
Other receivables	(1,453)	646
Inventories	461	(429)
Trade and other payables	3,413	4,646
Contract liabilities	2,850	(6,754)
Provisions and other liabilities	(3,610)	(3,811)
Cash generated from operations	7,512	19,469
Interest paid	(2,916)	(3,178)
Interest received	288	28
Income tax paid	(354)	(351)
Net cash generated from operating activities	4,530	15,968

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

Condensed interim consolidated statement of cash flows
For the 12 months ended 31 December 2022

	Group	
	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,517)	(745)
Proceeds from disposal of property, plant and equipment	417	75
Distribution of profits from joint ventures	163	150
Repayment of loans from a joint venture	3,682	-
Net cash generated from/(used in) investing activities	745	(520)
Cash flows from financing activities		
Proceeds from short term borrowings	614	191
Dividends paid on ordinary shares to equity holders of the Company	(967)	-
Proceeds from long term borrowings	581	5,000
Repayment of long term borrowings	(11,556)	(16,553)
Repayment of lease liabilities	(1,522)	(1,346)
(Decrease)/increase in pledged deposits	(844)	188
Loans from non-controlling interests	-	3,078
Net cash used in financing activities	(13,694)	(9,442)
Net (decrease)/increase in cash and cash equivalents	(8,419)	6,006
Effect of exchange rate changes on cash and cash equivalents	(66)	(98)
Cash and cash equivalents at beginning of the year	59,474	53,566
Cash and cash equivalents at end of the year	50,989	59,474
<u>Comprising:</u>		
Cash and bank balances	20,363	26,174
Fixed deposits	35,326	37,333
	55,689	63,507
Less: Fixed deposits pledged with financial institutions	(4,700)	(4,033)
	50,989	59,474

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 and full year ended 31 December 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.

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

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
1 July 2022 to 31 December 2022					
Revenue					
External revenue	49,331	15,152	29,689	2,133	96,305
Inter-segment revenue	1,869	6,690	-	69	8,628
Total revenue	<u>51,200</u>	<u>21,842</u>	<u>29,689</u>	<u>2,202</u>	104,933
Results:					
Interest income	(79)	(78)	(107)	-	(264)
Interest expense	573	4	2,416	-	2,993
Depreciation of property, plant and equipment	703	27	8	317	1,055
Depreciation of right-of-use assets	470	57	-	-	527
Share of results of associates	(180)	-	(6)	-	(186)
Share of results of joint ventures	1	(102)	(74)	-	(175)
Other non-cash items:					
Write back for inventories obsolescence	(18)	-	-	-	(18)
Impairment loss on property, plant and equipment and right-of-use asset	1,196	-	-	-	1,196
Write back for impairment loss on properties held for sale	160	-	-	-	160
Amortisation of deferred income	-	-	-	(100)	(100)
Amortisation of capitalised contract cost	-	-	898	-	898
Accreted interest	38	-	-	49	87
Write back/(loss) provision on trade receivables, other receivables and contract assets	(328)	20	-	(42)	(350)
Segment (loss)/profit before taxation	(4,009)	4,601	4,004	685	5,281
Income tax expense	-	-	100	-	100
Assets					
Investments in joint ventures	(3)	3	74	-	74
Investments in associates	180	-	7	-	187
Additions to property, plant and equipment	5,996	169	-	-	6,165
Segment assets	<u>78,655</u>	<u>31,570</u>	<u>184,097</u>	<u>9,446</u>	303,768
Segment liabilities	<u>50,483</u>	<u>30,866</u>	<u>129,481</u>	<u>3,177</u>	214,007

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

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
<u>1 July 2021 to 31 December 2021</u>					
Revenue					
External revenue	55,216	40,879	3,668	2,030	101,793
Inter-segment revenue	2,502	60	-	60	2,622
Total revenue	<u>57,718</u>	<u>40,939</u>	<u>3,668</u>	<u>2,090</u>	<u>104,415</u>
Results:					
Interest income	(74)	(4)	24	-	(54)
Interest expense	125	-	1,478	4	1,607
Depreciation of property, plant and equipment	640	13	9	317	979
Depreciation of right-of-use assets	536	-	-	-	536
Share of results of associates	111	-	75	-	186
Share of results of joint ventures	(6)	80	(4,052)	-	(3,978)
Other non-cash items:					
Amortisation of deferred income	-	-	-	(96)	(96)
Amortisation of capitalised contract cost	-	-	110	-	110
Accreted interest	123	-	-	50	173
Fair value gain on derivatives	-	-	(681)	-	(681)
Loss provision on trade receivables, other receivables and contract assets	522	(3)	-	20	539
Segment profit/(loss) before taxation	6,800	3,517	(4,303)	681	6,695
Income tax credit	(24)	-	(98)	-	(122)
Assets					
Investments in joint ventures	68	-	5,925	-	5,993
Investments in associates	1,195	-	281	-	1,476
Additions to property, plant and equipment	757	12	(40)	5	734
Segment assets	<u>79,610</u>	<u>28,799</u>	<u>185,153</u>	<u>11,529</u>	<u>305,091</u>
Segment liabilities					
	<u>44,748</u>	<u>35,113</u>	<u>135,258</u>	<u>3,601</u>	<u>218,720</u>

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

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
<u>1 January 2022 to 31 December 2022</u>					
Revenue					
External revenue	89,421	33,033	44,582	3,379	170,415
Inter-segment revenue	3,751	14,055	-	129	17,935
Total revenue	93,172	47,088	44,582	3,508	188,350
Results:					
Interest income	(87)	(85)	(116)	-	(288)
Interest expense	704	4	3,623	-	4,331
Depreciation of property, plant and equipment	1,306	40	17	634	1,997
Depreciation of right-of-use assets	1,127	57	-	-	1,184
Share of results of associates	(211)	-	19	-	(192)
Share of results of joint ventures	(1)	(163)	(242)	-	(406)
Other non-cash items:					
Allowance for inventories obsolescence	(18)	-	-	-	(18)
Impairment loss on property, plant and equipment and right-of-use asset	1,196	-	-	-	1,196
Impairment loss on properties held for sale	160	-	-	-	160
Amortisation of deferred income	-	-	-	(200)	(200)
Amortisation of capitalised contract cost	-	-	1,348	-	1,348
Accreted interest	92	-	-	98	190
Write back/(loss) provision on trade receivables, other receivables and contract assets	(439)	20	-	(42)	(461)
Segment (loss)/profit before taxation	(4,258)	6,374	5,661	1,072	8,849
Income tax expense	-	-	277	-	277
Assets					
Investments in joint ventures	64	-	6,167	-	6,231
Investments in associates	1,406	-	262	-	1,668
Additions to property, plant and equipment	6,342	169	-	-	6,511
Segment assets	78,655	31,570	184,097	9,446	303,768
Segment liabilities					
	50,483	30,866	129,481	3,177	214,007

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

Notes to the condensed interim consolidated financial statements

4.1 Reportable segments (cont'd)

	<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
<u>1 January 2021 to 31 December 2021</u>					
Revenue					
External revenue	102,096	67,779	5,895	4,090	179,860
Inter-segment revenue	4,133	240	-	130	4,503
Total revenue	106,229	68,019	5,895	4,220	184,363
Results:					
Interest income	(89)	(6)	(15)	-	(110)
Interest expense	234	-	3,094	14	3,342
Depreciation of property, plant and equipment	1,286	26	15	635	1,962
Depreciation of right-of-use assets	1,145	-	-	-	1,145
Share of results of associates	304	-	97	-	401
Share of results of joint ventures	(6)	149	(3,590)	-	(3,447)
Other non-cash items:					
Allowance for inventories obsolescence	8	-	-	-	8
Amortisation of deferred income	-	-	-	(193)	(193)
Amortisation of capitalised contract cost	-	-	178	-	178
Accreted interest	200	-	-	101	301
Fair value gain on derivatives	-	-	(1,431)	-	(1,431)
Loss provision on trade receivables, other receivables and contract assets	1,256	(3)	-	20	1,273
Segment profit/(loss) before taxation	3,897	3,608	(5,042)	768	3,231
Income tax credit	(50)	-	(86)	-	(136)
Assets					
Investments in joint ventures	68	-	5,925	-	5,993
Investments in associates	1,195	-	281	-	1,476
Additions to property, plant and equipment	757	12	(40)	5	734
Segment assets	79,610	28,799	185,153	11,529	305,091
Segment liabilities					
	44,748	35,113	135,258	3,601	218,720

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

Notes to the condensed interim consolidated financial statements

4.1 Reportable segments (cont'd)

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

	6 months ended 31 December 2022 \$'000	6 months ended 31 December 2021 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
Revenue				
Total revenue for reportable segments	104,933	104,415	188,350	184,363
Management fee from associates	26	47	70	94
Elimination of intersegment revenue	(8,628)	(2,622)	(17,935)	(4,503)
	<u>96,331</u>	<u>101,840</u>	<u>170,485</u>	<u>179,954</u>
Profit/(loss) before tax				
Total profit before taxation for reportable segments	5,281	6,695	8,849	3,231
Management fee from associates	26	47	70	94
Unallocated amounts:				
Other corporate income	86	86	203	173
Other corporate expenses	(2,025)	(1,860)	(3,874)	(3,713)
	<u>3,368</u>	<u>4,968</u>	<u>5,248</u>	<u>(215)</u>

Reconciliations of reported segment assets and liabilities

	31-Dec-22 \$'000	31-Dec-21 \$'000
Assets		
Total assets for reportable segments	303,768	305,091
Other unallocated amounts	14,267	14,806
	<u>318,035</u>	<u>319,897</u>
Liabilities		
Total liabilities for reportable segments	214,007	218,720
Other unallocated amounts	10,929	11,303
	<u>224,936</u>	<u>230,023</u>

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

Notes to the condensed interim consolidated financial statements

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
<u>1 July 2022 to 31 December 2022</u>					
Types of goods or services:					
Revenue from contracts with customers	49,331	15,152	29,689	1,358	95,530
Solar leasing income	-	-	-	775	775
	<u>49,331</u>	<u>15,152</u>	<u>29,689</u>	<u>2,133</u>	<u>96,305</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services					
At a point in time	226	-	-	158	384
Over time	49,105	15,152	29,689	1,200	95,146
	<u>49,331</u>	<u>15,152</u>	<u>29,689</u>	<u>1,358</u>	<u>95,530</u>

Geographical information:

Singapore	26,178	15,152	29,689	1,358	72,377
Malaysia	13,921	-	-	-	13,921
Thailand	9,232	-	-	-	9,232
	<u>49,331</u>	<u>15,152</u>	<u>29,689</u>	<u>1,358</u>	<u>95,530</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
<u>1 July 2021 to 31 December 2021</u>					
Types of goods or services:					
Revenue from contracts with customers	55,216	40,879	3,668	1,399	101,162
Solar leasing income	-	-	-	631	631
	<u>55,216</u>	<u>40,879</u>	<u>3,668</u>	<u>2,030</u>	<u>101,793</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services					
At a point in time	324	-	-	86	410
Over time	54,892	40,879	3,668	1,313	100,752
	<u>55,216</u>	<u>40,879</u>	<u>3,668</u>	<u>1,399</u>	<u>101,162</u>

Geographical information:

Singapore	29,016	40,879	3,668	1,399	74,962
Malaysia	22,729	-	-	-	22,729
Thailand	3,471	-	-	-	3,471
	<u>55,216</u>	<u>40,879</u>	<u>3,668</u>	<u>1,399</u>	<u>101,162</u>

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

Notes to the condensed interim consolidated financial statements

4.2 Disaggregation of revenue (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
<u>1 January 2022 to 31 December 2022</u>					
Types of goods or services:					
Revenue from contracts with customers	89,421	33,033	44,582	1,829	168,865
Solar leasing income	-	-	-	1,550	1,550
	<u>89,421</u>	<u>33,033</u>	<u>44,582</u>	<u>3,379</u>	<u>170,415</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services					
At a point in time	595	-	-	387	982
Over time	88,826	33,033	44,582	1,442	167,883
	<u>89,421</u>	<u>33,033</u>	<u>44,582</u>	<u>1,829</u>	<u>168,865</u>

Geographical information:

Singapore	48,415	33,033	44,582	1,829	127,859
Malaysia	22,555	-	-	-	22,555
Thailand	18,451	-	-	-	18,451
	<u>89,421</u>	<u>33,033</u>	<u>44,582</u>	<u>1,829</u>	<u>168,865</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
<u>1 January 2021 to 31 December 2021</u>					
Types of goods or services:					
Revenue from contracts with customers	102,096	67,779	5,895	2,858	178,628
Other revenue:					
Solar leasing income	-	-	-	1,232	1,232
	<u>102,096</u>	<u>67,779</u>	<u>5,895</u>	<u>4,090</u>	<u>179,860</u>

Disaggregation of revenue from contracts with customers:

Timing of transfer of goods or services					
At a point in time	589	-	-	142	731
Over time	101,507	67,779	5,895	2,716	177,897
	<u>102,096</u>	<u>67,779</u>	<u>5,895</u>	<u>2,858</u>	<u>178,628</u>

Geographical information:

Singapore	55,658	67,779	5,895	2,858	132,190
Malaysia	36,624	-	-	-	36,624
Thailand	9,814	-	-	-	9,814
	<u>102,096</u>	<u>67,779</u>	<u>5,895</u>	<u>2,858</u>	<u>178,628</u>

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

Notes to the condensed interim consolidated financial statements

4.2 Disaggregation of revenue (cont'd)

A breakdown of sales and operating profit/(loss)

	Group		
	Financial Year ended 31 December		
	2022	2021	Change
	S\$'000	S\$'000	%
(a) Sales reported for the first half year	74,154	78,114	(5.1)
(b) Operating profit/(loss) after taxation before deducting non-controlling interest reported for the first half year	1,703	(5,169)	(132.9)
(c) Sales reported for the second half year	96,331	101,840	(5.4)
(d) Operating profit after taxation before deducting non-controlling interest reported for the second half year	3,268	5,090	(35.8)

5. Financial assets and financial liabilities

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	\$'000	\$'000	\$'000	\$'000
Financial assets measured at amortised cost				
Contract receivables				
- External parties	12,438	11,642	-	-
Goods and services tax receivable	436	300	-	-
Total trade receivables	12,874	11,942	-	-
Less				
- Goods and services tax receivable	(436)	(300)	-	-
Add:				
- Loans to a joint venture	5,042	8,725	-	-
- Amounts due from subsidiaries	-	-	3,348	5,145
- Other receivables, excluding prepayments	6,900	5,463	74	121
- Pledged deposits	4,700	4,033	-	-
- Cash and cash equivalents	50,989	59,474	355	520
Total financial assets measured at amortised cost	80,069	89,337	3,777	5,786
Financial assets measured at fair value through profit or loss				
Investment securities	10	8	-	-

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

Notes to the condensed interim consolidated financial statements

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

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	\$'000	\$'000	\$'000	\$'000
Financial liabilities measured at amortised cost				
Non-current:				
Retention payables	451	3,879	-	-
Current:				
Trade payables	43,864	37,497	53	53
Retention payables	4,930	4,409	-	-
Other payables	1,309	1,713	110	153
Goods and services tax payable	769	621	48	2
	<u>50,872</u>	<u>44,240</u>	<u>211</u>	<u>208</u>
Total trade and other payables	51,323	48,119	211	208
Less:				
Goods and services tax payable	(769)	(621)	(48)	(2)
Add:				
- Amounts due to subsidiaries	-	-	14,330	14,290
- Other liabilities	9,641	5,627	1,022	755
- Lease liabilities	3,861	3,597	2,016	2,042
- Loans and borrowings	133,515	144,024	7,677	8,295
Total financial liabilities measured at amortised cost	<u>197,571</u>	<u>200,746</u>	<u>25,208</u>	<u>25,588</u>

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

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:

	Group					
	6 months ended 31 December	6 months ended 31 December	Change %	12 months ended 31 December	12 months ended 31 December	Change %
	2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000	
Depreciation of property, plant and equipment	1,259	1,166	8.0	2,404	2,336	2.9
Depreciation of right-of-use assets	553	563	(1.8)	1,236	1,197	3.3
Amortisation of deferred income	(100)	(96)	4.2	(200)	(193)	3.6
Amortisation of capitalised contract costs	898	110	716.4	1,348	178	657.3
Gain on disposal of property, plant and equipment	(104)	(33)	215.2	(380)	(63)	503.2
Write-off of creditors	(166)	-	N.M	(166)	-	N.M
(Write back)/allowance for inventory obsolescence	(18)	-	N.M	(18)	8	N.M
Impairment loss on property, plant and equipment and right-of-use asset	1,196	-	N.M	1,196	-	N.M
Impairment loss on properties held for sale (Write back)/loss provision on trade receivables, other receivables and contract assets	160	-	N.M	160	-	N.M
	(350)	539	N.M	(461)	1,273	N.M
Interest expense	3,094	1,741	77.7	4,530	3,648	24.2
Accreted interest	87	173	(49.7)	190	301	(36.9)
Interest income	(264)	(54)	388.9	(288)	(110)	161.8
Rental income from premises	(405)	(445)	(9.0)	(829)	(787)	5.3
Foreign exchange loss	311	193	61.1	517	472	9.5
Fair value gain on derivatives	-	(681)	(100.0)	-	(1,431)	(100.0)
Over provision of current income tax in respect of prior years	-	(6)	(100.0)	-	(20)	(100.0)

N.M - Not meaningful

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

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:

	6 months ended 31 December 2022 \$'000	6 months ended 31 December 2021 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
From an associate:				
Accounting services income	-	(33)	(17)	(67)
Recovery of license and other fees paid to a related party	(59)	(60)	(119)	(121)
Management fees income	(26)	(47)	(70)	(94)
From joint ventures:				
Accounting services income	(21)	(51)	(102)	(102)
Interest income on loans	-	(42)	-	(81)
Repayment of loans from a joint venture	375	-	3,682	-
License and other fees to a related party	234	244	478	483
Purchases from a related party	1,009	468	1,603	736
Management fee income from a related party	(57)	(61)	(115)	(124)
Rental expense paid to a director of the Company	46	48	94	97

7. Income tax expense/(credit)

	Group		Group	
	6 months ended 31 December 2022 \$'000	6 months ended 31 December 2021 \$'000	12 months ended 31 December 2022 \$'000	12 months ended 31 December 2021 \$'000
<i>Consolidated statement of comprehensive income</i>				
Current income tax				
- Singapore	-	-	-	-
- Foreign	-	220	-	220
Over provision of income tax in respect of previous years	-	(6)	-	(20)
	-	214	-	200
Deferred income tax:				
Origination and reversal of temporary differences	100	(336)	277	(336)
	100	(336)	277	(336)
Income tax expense/(credit) recognised in profit or loss	100	(122)	277	(136)

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

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

9. Earnings per share

	Group				
	6 months ended 31 December 2022 Cents	6 months ended 31 December 2021 Cents	12 months ended 31 December 2022 Cents	12 months ended 31 December 2021 Cents	
	Earnings per ordinary share of the Group attributable to equity holders				
	(a) Based on the weighted average number of ordinary shares in issue	1.22	1.90	1.76	0.50
(b) On a fully diluted basis (detailing any adjustment made to earnings)	1.22	1.90	1.76	0.50	
	Number of shares				
Weighted average number of shares during the financial period	322,386,218	322,388,218	322,387,150	322,388,218	

10. Net asset value

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
Net asset value per ordinary share based on issued capital at the end of the period (cents)	31.14	29.92	16.11	17.27
Number of shares as at the end of period/year	322,386,218	322,388,218	322,386,218	322,388,218

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

Notes to the condensed interim consolidated financial statements

11. Property, plant and equipment

During the twelve months ended 31 December 2022, the Group acquired assets amounting to \$6,710,000 (31 December 2021: \$745,000) and disposed of assets with net book value of \$37,000 (31 December 2021: \$13,000). The cash outflow on acquisition of property, plant and equipment amounted to \$3,517,000 (2021: \$745,000).

12. Trade receivables

	Group		Company	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	\$'000	\$'000	\$'000	\$'000
Trade receivables	16,658	18,100	-	-
Less: Allowance for expected credit losses	(3,784)	(6,158)	-	-
	<u>12,874</u>	<u>11,942</u>	-	-
Less				
- Goods and services tax receivable	(436)	(300)	-	-
Receivables from contracts with customers (Note 13)	<u>12,438</u>	<u>11,642</u>	-	-

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	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
	\$'000	\$'000	\$'000	\$'000
At beginning of period	6,158	6,114	6,982	5,940
(Credit)/charge for the period	(519)	131	58	1,135
Amount written off	(1,624)	(38)	(4,026)	(76)
Exchange differences	(231)	(49)	(134)	(17)
At end of period	<u>3,784</u>	<u>6,158</u>	<u>2,880</u>	<u>6,982</u>

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

Notes to the condensed interim consolidated financial statements

13. Contract assets and contract liabilities

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

	Group	
	31-Dec-22	31-Dec-21
	\$'000	\$'000
Receivables from contracts with customers (Note 12)	<u>12,438</u>	<u>11,642</u>
Contract assets from construction contracts		
<u>Current</u>		
Unbilled revenue	22,587	22,844
Retention receivables	6,992	4,485
Less: Provision for onerous contracts	<u>(910)</u>	<u>(296)</u>
	28,669	27,033
<u>Non-current</u>		
Retention receivables	<u>11,046</u>	<u>15,612</u>
	<u>39,715</u>	<u>42,645</u>
Contract assets from sale of development properties		
<u>Current</u>		
Capitalised fulfilment costs	71,078	91,199
Contract liabilities	<u>(6,918)</u>	<u>(31,026)</u>
	64,160	60,173
Total contract assets	<u>103,875</u>	<u>102,818</u>
Current	92,829	87,206
Non-current	<u>11,046</u>	<u>15,612</u>
Total contract assets	<u>103,875</u>	<u>102,818</u>
Contract liabilities from construction contracts		
Contract liabilities	18,701	16,139
Add: Provision for onerous contracts	780	808
Total contract liabilities	<u>19,481</u>	<u>16,947</u>

The movement in capitalised fulfilment costs is as follows:

	Group	
	31-Dec-22	31-Dec-21
	\$'000	\$'000
Balance at beginning of period	91,199	88,846
Additions	1,511	5,216
Amortisation	<u>(21,632)</u>	<u>(2,863)</u>
Balance at end of period	<u>71,078</u>	<u>91,199</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:

	Group	
	31-Dec-22	31-Dec-21
	\$'000	\$'000
Balance at beginning of period	1,104	4,116
Charge/(credit) to profit or loss	7,213	(683)
Utilisation	(6,627)	(2,329)
Balance at end of period	<u>1,690</u>	<u>1,104</u>

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

Notes to the condensed interim consolidated financial statements

14. Capitalised contract costs

	Group	
	31-Dec-22	31-Dec-21
	\$'000	\$'000
Capitalised incremental costs of obtaining contract – commission costs paid to property agents		
Balance at beginning of period	5,684	5,557
Additions	103	305
Amortisation	(1,348)	(178)
Balance at end of period	4,439	5,684

15. Development properties

	Group	
	31-Dec-22	31-Dec-21
	\$'000	\$'000
Development costs	79,028	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	
		31-Dec-22	31-Dec-21		31-Dec-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

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

Notes to the condensed interim consolidated financial statements

16. Loans and borrowings

	Group		Company	
	31-Dec-22 \$'000	31-Dec-21 \$'000	31-Dec-22 \$'000	31-Dec-21 \$'000
Amount repayable within one year or on demand:				
Secured	5,714	4,773	545	541
Unsecured	-	-	-	-
	<u>5,714</u>	<u>4,773</u>	<u>545</u>	<u>541</u>
Amount repayable after one year:				
Secured	97,097	108,547	7,132	7,754
Unsecured	30,704	30,704	-	-
	<u>127,801</u>	<u>139,251</u>	<u>7,132</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:

	31-Dec-22			Total
	\$'000			
	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)	
Assets measured at fair value				
Financial assets:				
<u>Investment securities at fair value</u>				
<u>through profit or loss</u>				
<i>Quoted equity securities</i>	10	-	-	10
	10	-	-	10

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

Notes to the condensed interim consolidated financial statements

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

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

	31-Dec-21			Total
	\$'000			
Group	Fair value measurements at the end of the reporting period using			
Assets measured at fair value	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
Financial assets:				
<u>Investment securities at fair value through profit or loss</u>				
<i>Quoted equity securities</i>	8	-	-	8
	8	-	-	8

Notes to the condensed interim consolidated financial statements

17. 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
31 December 2022 and 31 December 2021			
Recurring fair value measurements			
<u>At fair value through profit or loss</u>			
Unquoted equity securities	–	Income approach	Dividend yield: Nil %

(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 31 December 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.

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

Notes to the condensed interim consolidated financial statements

18. Share capital

	Group and Company			
	31-Dec-22		31-Dec-21	
	No. of shares	\$'000	No. of shares	\$'000
Issued and fully paid ordinary shares :				
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 31 December 2022 was 322,386,218 (31 December 2021: 322,388,218). The total number of treasury shares held as at 31 December 2022 was 2,324,200 (31 December 2021: 2,322,200).

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 31 December 2022 and 31 December 2021.

19. Treasury shares

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

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 31 December 2022 and 31 December 2021.

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2



BBR Holdings (S) Ltd and its subsidiaries

Company Registration No. 199304349M

Announcement of Full-Year Results for the Financial Year Ended 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of BBR Holdings (S) Ltd and its subsidiaries as at 31 December 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 31 December 2022 (“2H2022”) vs Six-Month Period Ended 31 December 2021 (“2H2021”)

Group revenue decreased 5.4% from \$101.8 million achieved in 2H2021 to \$96.3 million in 2H2022 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. 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 Malaysia as well as the Prefabricated Prefinished Volumetric Construction (“PPVC”) business in Singapore.

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 \$29.7 million was recognised in 2H2022 as compared to \$3.7 million recognised in 2H2021.

The gross profit margin of 16.9% achieved in 2H2022 was slightly higher than 16.3% in 2H2021. In tandem with the decrease in revenue, the overall gross profit decreased 1.4% from \$16.6 million in 2H2021 to \$16.3 million in 2H2022.

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 \$7.2 million was recognised in 2H2022 versus a gross profit of \$0.1 million recorded in 2H2021 for the Property Development segment. Additionally, some provisions for project rectification costs which were not spent were reversed.

Other operating income decreased by 26.2% as in 2H2021, there was a one-off income arising from forfeiture of deposit for one of the units of the LINQ after the buyer aborted the deal. Additionally the one-off income arising from a settlement with a supplier in 1H2022 which was previously included in Other operating income has now been reclassified to set off against cost of sales. The impact of these decreases was offset by an increase in training income from BCA Approved Training and Testing Centre and Approved Overseas Testing Centre operated by the Group and interest income.

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

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 \$0.3 million and a gain of \$0.5 million for 2H2022 and 2H2021 respectively. The fair value adjustment on derivatives in 2H2021 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 increased by \$0.3 million mainly from bank charges from bankers' guarantees issued, letters of credit, adjustment of audit fees accruals in 2H2022 and overall general expenses.

Other operating costs increased by \$2.6 million or 37.3% 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 percentage of completion ("POC") of the development. In addition, the Group made an allowance for impairment of some specialised construction equipment taking into consideration their expected utilization rate.

Finance costs increased by \$1.3 million or 66.1% with an increase in interest rates on bank borrowings.

Share of results of joint ventures was a profit of \$0.2 million in 2H2022 compared with a loss of \$4.0 million in 2H2021 arising from the Group's share of fair value adjustment of the investment property held by a joint venture company.

The Group had a profit attributable to equity holders of the Company of \$3.9 million for 2H2022.

Income Statement Review – Financial Year Ended 31 December 2022 ("FY2022") vs Financial Year Ended 31 December 2021 ("FY2021")

Group revenue decreased 5.3% from \$180.0 million in FY2021 to \$170.5 million in FY2022. Lower revenue was recorded for all the business segments except for the Property Development business segment.

The Group's construction activities for the Specialised Engineering business segment had decreased in the current financial year as compared to FY2021. A number of General Construction projects were substantially completed as at the end of the last financial year whereas current financial year active building construction is mainly for the Property Development business segment and the intersegment revenue was eliminated.

In February this year, the Group's 50% owned joint venture, Sinohydro-Singapore Engineering & Construction Joint Venture ("SHSECJV") 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 accounted for SHSECJV as a joint operation using proportionate consolidation of its results and assets and liabilities. As this project is still in the early stage, the revenue contribution is not significant.

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

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

As construction work of The LINQ progresses, the Group's Property Development business segment recognised a revenue of \$44.6 million on a POC basis versus \$5.9 million in FY2021.

Gross profit margin improved with an average of 15.8% achieved for FY2022 as compared with 11.7% mainly due to higher gross profit margin from Property Development. Additionally, some construction project losses previously recognised were reduced and reversed upon substantial completion of these projects as well as some provisions for project rectification costs which were not spent were reversed.

Other operating income increased by 25.3% mainly due to an increase in gain on disposal of property, plant and equipment, training and interest income.

Other income/expense comprised foreign exchange differences and fair value adjustment on derivatives amounting to a loss of \$0.5 million for FY2022 versus a gain of \$1.0 million for FY2021.

Administrative costs increased slightly by 7.1%.

As for Other operating costs, there was an increase in amortisation of capitalised contract cost based on the POC of the The LINQ, staff cost which was presented net of salary-related grants, as grant income from the Job Support Scheme was reduced in FY2022 and an impairment loss of some specialised construction equipment. These increases were offset by a reduction in loss provision on trade receivables and contract assets. As a result, the overall Other operating costs increased 16.8% or \$2.5 million.

Finance costs increased by \$0.8 million or 19.5% due to higher interest rates on bank borrowings.

Share of results of joint ventures was a gain of \$0.4 million in FY2022 as compared to a loss of \$3.4 million due to fair value adjustment of investment property.

Share of results of associates was a profit of \$0.2 million in FY2022 as compared to \$0.4 million in FY2021.

The Group had a profit attributable to equity holders of the Company of \$5.7 million for FY2022.

Statement of Financial Position and Cash Flow Review

Property, plant and equipment increased by \$3.6 million. As mentioned in Note 20 of the Condensed Interim Financial Statements for the six months ended 30 June 2022 as announced on 12 August 2022, the Group purchased 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 it is occupied by the Group for use as a factory and holding yard for the fabrication and installation of Prefabricated Prefinished Volumetric Construction ("PPVC") modules on a rental basis prior to the purchase. The purchase was completed during the financial year as it has become unconditional upon obtaining approval from the Johor State Authority.

Non current contract assets decreased by \$4.6 million as there was some retention sum being released by the customer and some was reclassified to current contract assets.

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

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

Loans to a joint venture of \$8.7 million was partially repaid and the remaining outstanding amount of \$5.0 million was reclassified to current assets.

Current contract assets increased by \$5.6 million. There was an increase in contract assets from the sale of development properties and also retention sum receivable. Development properties increased by \$5.4 million due to capitalisation of the construction cost for the commercial units of the development.

Other receivables also increased by \$1.3 million mainly due to security deposit paid.

Current trade and other payables increased by \$6.6 million due to accrual of construction cost that has yet to be settled and an increase in retention payables. Other liabilities increased by \$4.0 million mainly due to the amount payable to the vendor for the purchase of the Property. This was subsequently settled after the financial year end by a property loan obtained from a bank.

Contract liabilities increased with progress billings raised and advance from a customer.

Non-current trade payables which comprised retention payables decreased by \$3.4 million as retentions payables which are due for payment are reclassified to current trade payables.

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

Non-current borrowings decreased by \$11.5 million with repayment of loans.

For the financial year ended 31 December 2022, the Group generated cash amounting to \$4.5 million from its operating activities.

Net cash generated from investing activities was \$0.7 million. This comprised of \$3.8 million cash inflow from the distribution of profits and repayment of loans from joint ventures and offset by net cash outflow of \$3.1 million for the purchase and disposal of property, plant and equipment.

Net cash used in financing activities amounted to \$13.7 million. This was mainly due to repayment of \$13.1 million for long term borrowings and lease liabilities, placement of additional pledged deposits of \$0.8 million, offset by proceeds of \$1.2 million from short term and long term 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 29 April 2022.

The Group's cash holding was \$51.0 million as at 31 December 2022, down by \$8.5 million from \$59.5 million as at the end of the last financial year.

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

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 half-year results announcement made on 12 August 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 13 February 2023, the Ministry of Trade and Industry (“MTI”) announced that the Singapore economy grew by 2.1 per cent on a year-on-year basis in the fourth quarter of 2022, moderating from the 4.0 per cent expansion in the previous quarter.

The construction sector expanded by 10.0 per cent year-on-year, faster than the 8.1 per cent growth in the third quarter, as both public and private sector construction output increased. For the whole of 2022, the construction sector posted growth of 6.7 per cent.

Uncertainties in the global economies remain with the on-going Russia-Ukraine conflict and rising interest rates.

The Group expects operating conditions in the construction sector to remain challenging. The shortage of labour supply and high cost of recruiting migrant workers, supply chain disruptions and inflationary pressures are expected to drive up the overall construction cost and operating expenses. The rising interest rates will also 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.

The Group has an order book of approximately \$407 million as at 31 December 2022 including the Group’s proportionate share of Contract CR107.

Reference:

Ministry of Trade and Industry Singapore Press Release “MTI Maintains 2023 GDP Growth Forecast at “0.5 to 2.5 Per Cent”, 13 February 2023

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

5. Dividend information

- 5a. Current Financial Period Reported on
Any dividend recommended for the current financial period reported on? Yes

Name of dividend	First and final dividend
Dividend type	Cash
Dividend per share	0.3 cents per share
Tax rate	Tax exempt

The Board of Directors recommended 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 for approval by shareholders at the forthcoming annual general meeting.

- 5b. Corresponding Period of the Immediate Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of dividend	First and final dividend
Dividend type	Cash
Dividend per share	0.3 cents per share
Tax rate	Tax exempt

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.

- 5c. Date Payable
Date Payable for the proposed first and final dividend will be announced at a later date.
- 5d. Books Closure Date
Books closure date for the proposed first and final dividend will be announced at a later date.
- 5e. If no dividend has been declared/recommended, a statement to that effect.
Not applicable.

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.

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

8. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

The Group saw 5.3% decrease in revenue from \$180.0 million to \$170.5 million in the current financial year. Revenue was lower across all business segments except for Property Development as The LINQ is in its active stage of construction and based on the construction progress, a revenue of \$44.6 million was recognised as compared to \$5.9 million in the last financial year.

Revenue from the General Construction Segment decreased in FY2022 as several major projects was substantially completed in FY2021. However, the results of this business segment improved due to better performance of the contracts in progress. Additionally, some construction project losses previously recognised were reduced and reversed upon substantial completion of these projects as well as some provisions for project rectification costs which were not spent were reversed.

Revenue and results of the Specialist Engineering Business segment in all geographical segments were adversely impacted in FY2022. The projects executed in FY2022 were mostly contracted before COVID-19 pandemic times. Material supply chain disruptions and labour shortages caused by the pandemic and Ukraine war resulted in escalation in costs but contract sums were fixed. This resulted in a loss in FY2022 for this business segment.

Revenue from Green Technology business segment decreased by approximately \$0.7 million as the projects engaged were relatively small-scale projects.

9. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	Latest Full Year 2022 S\$'000	Previous Full Year 2021 S\$'000
Ordinary	967	-
Preference	-	-
Total:	<u>967</u>	<u>-</u>

BBR Holdings (S) Ltd and its subsidiaries

Announcement of Full-Year Results for the Financial Year 31 December 2022

Other Information Required by Listing Rule Appendix 7.2

10. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual, the information is as follows:

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr Voon Chet Chie	37	Son of Mr Voon Yok Lin, a director and substantial shareholder of the Company	Appointed as Manager (Special Task) of BBR Construction Systems (M) Sdn Bhd on 1 January 2017 and subsequently appointed the role of Director (Operations) in 2020. Appointed as the alternate director to Mr Voon Yok Lin in the Company on 21 June 2017	No change to the duties and position held during the financial year.
Mr Voon Yok Lin	68	Father of Mr Voon Chet Chie, an alternate director of the Company	Appointed as Director of BBR Holdings (S) Ltd on 21 June 2017. He is also Managing Director of BBR Construction Systems (M) Sdn. Bhd.	No change to the duties and position held during the financial year.

By Order of the Board

TAN KHENG HWEE ANDREW

Chief Executive Officer

1 March 2023