



HOLDINGS (S) LTD

Registration No.: 199304349M

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## PROPOSED DISPOSAL OF LEASEHOLD PROPERTY

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BBR Holdings (S) Ltd (“BBR” or the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that its wholly-owned subsidiary, BBR Construction Systems Pte Ltd, will be entering into a Deed of Assignment with 800 Super Waste Management Pte Ltd (the “Purchaser”) in respect of a leasehold property located at 18 Sungei Kadut Street 4, Singapore 729046 (the “Property”). The Deed of Assignment will be dated on the date of completion. Jurong Town Corporation (“JTC”) has consented to the proposed disposal of the Property to the Purchaser.

The Property is owned by JTC and the tenure of the lease will expire in 2019.

### Rationale

BBR had purchased a bigger leasehold property at 58 Sungei Kadut Street 1, Singapore 729361 (“58 Sungei Kadut”) from JTC at the end of 2013 to house the entire Group’s warehousing and engineering facility. It was a condition stipulated by JTC that the existing JTC Property must be disposed of within a year of the purchase of 58 Sungei Kadut.

### Consideration

The total cash consideration of S\$4,200,000 (“Consideration”) for the proposed disposal of the Property is arrived at on a willing-buyer, willing-seller basis with the Purchaser, a party not related to the Group.

The Consideration is paid/payable as follows:

- a. An option fee of S\$42,000, equivalent to 1% of the Consideration upon signing of the Option to Purchase;
- b. S\$4,032,000 on completion date; and
- c. S\$126,000 to be held by BBR’s solicitors and release where:
  - i. an Environmental Baseline Study (“EBS”) by the Purchaser shows that there is no contamination at the Property; or
  - ii. the EBS shows that there is contamination at the Property, receipt of JTC’s written confirmation that remediation works has been completed to JTC’s satisfaction.

Part of the Consideration will be utilised to reduce the bank term loan for the purchase of 58 Sungei Kadut and the remaining for working capital.

### Financial effects

a. **Excess of the proceeds over book value**

	S\$
Consideration	4,200,000
Net book value of the Property as at 30 Jun 2014	1,320,000
Gain on disposal	<u>2,880,000</u>

b. **Net tangible asset (NTA) per share**

		<u>Cents</u>
NTA per share based on FY2013 audited report and 306,589,418 shares		41.54
<u>Assuming the proposed disposal had been effected at the end of FY2013</u>		
NTA as at 31 December 2013	S\$127,363,000	
Add: Gain on disposal	S\$2,880,000	
Adjusted NTA	<u>S\$130,243,000</u>	
Adjusted NTA per share based on 306,589,418 shares		42.48

c. **Earnings per share (EPS)**

		<u>Cents</u>
EPS based on FY2013 audited report and 306,351,692 weighted average number of shares		7.13
<u>Assuming the proposed disposal had been effected at the beginning of FY2013</u>		
Profit attributable to owners of the parent	S\$21,839,000	
Add: Gain on disposal	S\$2,880,000	
Adjusted profit attributable to owners of the parent	<u>S\$24,719,000</u>	
Adjusted EPS based on 306,351,692 weighted average number of shares		8.07

Relative figures computed based on the applicable bases set out in Rule 1006 of the SGX Mainboard Listing Manual

The table below is for illustrative purposes only:

Rule No.	Description	Result
1006(a)	Net asset value of the Property – S\$1,320,000; Net asset value of BBR – S\$127,482,000 (FY2013 audited report)	1.0%
1006(b)	Gain on disposal of Property – S\$2,880,000; Profit attributable to equity holders of BBR – S\$21,839,000 (FY2013 audited report)	13.2%
1006(c)	Consideration – S\$4,200,000; BBR's market capitalisation – 307,294,418 shares x 29.0 cents (as at 30 July 2014)	4.7%
1006(d)	Not applicable	-

On the basis of the above calculations, the proposed disposal of the Property is considered a discloseable transaction because the outcome of Rule 1006(b) exceeds 5%.

Interest of directors and substantial shareholders

None of the directors or substantial shareholders of the Company has any interest, direct or indirect in the aforesaid transaction, other than through their shareholding interests in the Company.

Documents available for inspection

A copy of the Deed of Assignment is available for inspection during normal business hours at BBR's registered office at 50 Changi South Street 1, Singapore 486126.

By Order of the Board

Andrew Tan  
Chief Executive Officer

30 July 2014