



MEDIA RELEASE
For Immediate Release

BBR Holdings delivers S\$425.5 million revenue for the full year ended 31 December 2015

Highlights:

- Net asset value at S\$132.8 m or 43.12 cents per share
- First and final (tax-exempt one-tier) dividend of 0.4 cents per share
- Healthy order book of S\$415 million

SINGAPORE, 23 February 2016 – Mainboard-listed BBR Holdings (S) Ltd (BBR控股) (BBR or the Group) delivers group revenue of \$425.5 million for FY2015, a 36.6% decrease from \$671.6 million for FY2014. Net profit attributable to equity holders of the Company declined to \$2.3 million in the current year from \$11.2 million in FY2014.

The decrease in revenue for FY 2015 was due to lower revenue recorded for the general construction and property development segments, offset by higher specialised engineering revenue which is derived mainly from Malaysia. With the completion of a few major general construction projects at the end of 2014, the remaining projects under construction contributed to lower revenue in the current year. Construction at Bliss@Kovan was very active in FY2014 which accounted for higher property development revenue contribution in FY2014 compared to FY2015. Bliss@Kovan attained temporary occupation permit (“TOP”) in November 2015 and the remaining revenue for sold units were recognised.

Chief Executive Officer Mr Andrew Tan (陈庆辉) said, “*Amid the challenging environment, we have geared ourselves up for future business growth by investing in Pre-finished Prefabricated Volumetric Construction (PPVC) technology which is slated to be the key smart technology for boosting productivity in the building & construction sector. The recent spike in construction project tenders by Singapore government agencies specifying PPVC applications attests to the upturn of the growth cycle for the adoption of PPVC construction technology. We are pleased to highlight that The Wisteria, which is the first Government Land Sale residential development to deploy PPVC technology as well as the construction of Prefabricated Bathroom Unit in Singapore, is ready to be launched in March this year.*”

Gross profit for FY2015 declined to \$25.2 million from \$28.7 million in FY2014, largely weighed down by lower profit contributions from specialised engineering and property development segments, even though it was partially offset by improved returns for general construction activities in FY15. While gross profit for its property development in Singapore fell due to lower revenue, contribution from specialised engineering was affected by the Group’s new PPVC business. Overall, the Group’s gross margin grew to 5.9% for FY2015 from 4.3% in FY2014, due mainly to improved performance by the general construction segment.

Financial Position

The financial position of the Group continues to be stable. Net assets stood at S\$132.8 million as at 31 December 2015, as compared to S\$134.3 million as at 31 December 2014.

Cash and cash equivalents and pledged deposits decreased to \$29.2 million as at 31 December 2015 from \$44.6 million as at 31 December 2014, mainly attributable to repayment of property development land loan, purchase of land and buildings, construction costs of solar leasing infrastructure atop HDB flats and loans to a joint venture to partially finance a mixed residential and commercial development along Yishun Avenue 4. The disbursements were partially offset by net cash from

operations, long-term loans to finance property, plant and equipment purchases and loan repayments by an associate.

Total bank loans and borrowings decreased to \$24.7 million as at 31 December 2015 from \$36.2 million as at 31 December 2014, after the Group repaid a development loan for Bliss @Kovan from collections upon attaining TOP for the development, to be partially offset by a new term loan to finance the purchase of BBR Building.

Market capitalisation was at S\$51.2 million based on the closing share price of 16.6 Singapore cents as at 23 February 2016.

Business Outlook

On 4 January 2016, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 2.0 per cent on a year-on-year basis in the fourth quarter of 2015, slightly faster than the 1.8 per cent growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy expanded at a faster pace of 5.7 per cent compared to the 1.7 per cent growth in the preceding quarter. For the whole of 2015, the economy grew by 2.1 per cent. The construction sector expanded by 2.2 per cent on a year-on-year basis in the fourth quarter, an improvement from the 1.1 per cent growth recorded in the previous quarter. Growth was supported by a pick-up in public sector construction activities. On a quarter-on-quarter seasonally-adjusted annualised basis, the sector expanded by 7.0 per cent, a reversal from the 4.9 per cent contraction in the preceding quarter.

The industry outlook in Singapore remains challenging in the next 12 months with increasing competition and manpower shortages. The Group will continue to focus on its core business by leveraging its strong track record in building construction and civil engineering to secure more projects as well as enhancing cost effectiveness and efficiency optimisation in the management of on-going projects. BBR will also continue to conduct feasibility studies to undertake new property development projects.

Our ongoing projects in Malaysia are progressing well and current order book is healthy. However, the local government has been reviewing future expenditures on infrastructure, and the spending budget is expected to decrease, in line with a slowdown in global economy, as well as sharp falls in state revenue as a result of depressed oil prices. Likewise, the construction industry outlook in Malaysia is expected to encounter challenging times too.

As at the date of this announcement, the Group has an order book of approximately \$415 million in respect of construction projects, predominantly in Singapore and Malaysia.

Please refer to **ANNEX 1** for projects update.

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About BBR Group (www.bbr.com.sg)

The BBR Group (BBR控股) is one of Singapore's leading construction groups with more than 20 years of industry experience and businesses spanning across General Construction, Specialised Engineering, Property Development and Green Technology.

Established in 1993, the Group today has a presence in Singapore, Malaysia and the Philippines. Its General Construction activities are mainly undertaken through its wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited (Singapore Piling), a company it acquired in 2001. Singapore Piling has a more than 40-year history and has been registered with the Building and Construction Authority of Singapore under the "A1" classification since 1984. Its Specialised Engineering arm is part of the BBR Network that spans 50 countries.

BBR's Property Development projects are as follows: Lush on Holland Hill, a freehold development with 56 spacious units in two 12-storey blocks completed in 2012; Bliss @Kovan, another freehold site which has been developed into a five-storey condominium with superior design elements consisting of 140 units and completed in November 2015; 8 Nassim Hill, an upmarket development comprising 16 super luxury triplex units with basement carparks completed in 2010; Lake Life, a proposed development for 546 units of executive condominium on a 99-year leasehold HDB land site at Yuan Ching Road/Tao Ching Road, Jurong; and a 99-year leasehold land parcel at Yishun Ave 4 secured in January 2015 for a proposed mixed commercial and residential property development.

The Group was listed on the Singapore Exchange Sesdaq in 1997 and was subsequently upgraded to the Mainboard in September 2006.

Issued on behalf of BBR Holdings (S) Ltd by Waterbrooks Consultants Pte Ltd

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ANNEX 1: Projects Update

1) Specialised Engineering & General Construction Segments

Currently, BBR is working on a number of civil engineering and building projects from both the public and private sectors in Singapore as well as Malaysia. These include:

- supply and install modular units using Pre-finished Prefabricated Volumetric Construction (PPVC) at Nanyang Crescent, Nanyang Technological University (Western Water Catchment). The project is scheduled to be completed in the second quarter of 2017;
- two contracts worth RM335 million for specialised engineering projects in Terengganu. The first is the design and construction of the Gawi Marine Base and the bridge connecting to Pulau Poh in Kenyir Lake in Terengganu. The second project comprises the design and construction of a 362 metre long girder bridge to connect the village of Dusun to the village of Dura in Terengganu;
- a S\$196 million contract to construct green Halls of Residence at Nanyang Technological University using PPVC, scheduled for completion in the second half of 2016;
- a S\$80.3 million Walk2Ride programme awarded to a joint venture, Singapore Piling – Shincon JV by the Land Transport Authority (LTA) to design and construct covered linkways within 400 m radius of MRT stations, expected to be completed in 2018. BBR's wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited has a 51% share in the joint venture;
- a S\$79.8 million contract secured from the LTA to widen Keppel Viaduct targeted to be completed in the first half of 2016;
- a S\$108 million contract from the HDB to build 808 HDB flats at Kallang Whampoa C23B due to be completed by the first quarter of 2016;
- a S\$102.8 million contract to build 755 HDB flats at Kallang Whampoa C28B due to be completed by the second quarter of 2016;
- two contracts worth RM286 million to build two bridges in Terengganu and Sarawak in Malaysia, which are due to be completed at the end of 2016;
- a contract for the construction and maintenance of a mixed-use development at The Springside at Jalan Ulu Seletar/Sembawang Road, Singapore due to be completed by the first half of 2016; and
- design and build contract for the construction of Wisteria Mall and The Wisteria (apartments) in Yishun Ave 4 for S\$116 million, expected to be completed in the second half of 2018. BBR has an effective equity interest of 25% in this development via a joint venture with a consortium of partners.

2) Property Development Segment

For its property development business, BBR is currently involved in two projects:

- **Lake Life**, a 99-years leasehold executive condominium consisting of 546 units which will offer modern and lifestyle design features at Yuan Ching Road/Tao Ching Road, Jurong, Singapore. BBR has a 35% interest in this development; and
- **The Wisteria** and **Wisteria Mall**, a proposed mixed residential and commercial development, respectively on a 99-years leasehold site at Yishun Avenue 4. There will be 216 units of apartments and the mall will provide convenience and amenities such as shops, restaurants, a supermarket and food court to residents in the development. BBR has a 25% effective interest in this development.

3) Green Technology Segment

The Group is executing a 20-year solar leasing contract from HDB for the design, installation, operation and maintenance of a 5MWp grid-tied solar photovoltaic system to be installed in Ang Mo Kio Town. Construction is ongoing and final commissioning is expected in first quarter of 2016.