



MEDIA RELEASE
For Immediate Release

BBR Holdings recorded S\$70.3 million revenue for the first half year ended 30 June 2018

SINGAPORE, 3 August 2018 – MAINBOARD-LISTED BBR Holdings (S) Ltd (BBR控股) (“BBR” or “the Group”) announced today that the Group registered revenue of S\$70.3 million for the first half year ended 30 June 2018 (“1H2018”), as compared with S\$78.5 million for the first half year ended 30 June 2017 (“1H2017”). The Group saw an increase in revenue from the Specialised Engineering segment but was offset by lower revenue from the General Construction and Property Development segments.

Gross profit margin for 1H2018 averaged to 9.5% which was a marginal decline from 10.7% achieved in 1H2017.

Share of results of joint ventures and associates for 1H2018 amounted to S\$1.0 million and S\$0.2 million respectively. In comparison to 1H2017, the Group’s share was S\$1.6 million and S\$6.2 million respectively.

Mr Andrew Tan, BBR’s Chief Executive Officer, said, “The recent property cooling measure has dampened and further postponed the anticipated recovery of the construction sector. This created a new challenge to the entire building and construction industry, especially the small and medium players. BBR is braced to meet this and all existing challenges ahead with our strong track record, cost optimisation for all our new projects bids and our commitment to innovation.”

“We are delighted to highlight that we have obtained Temporary Occupancy Permit (“TOP”) for The Wisteria and Wisteria Mall, a mixed development project located at Yishun Avenue 4. Moving forward, the acquisition of Goh and Goh Building, which is situated at Upper Bukit Timah Road, will provide the new impetus for our property development business. The 2,868.3 sqm freehold site with close proximity to the Downtown Line Beauty World MRT Station, will be re-developed into a mixed commercial and residential development.”

The Wisteria which comprises three 9-storey residential blocks with 216 units of condominium adopting Prefabricated Prefinished Volumetric Construction technology, had been fully sold since its launch in August 2016. Wisteria Mall which comprised 3-storey podium with commercial facilities and car park and one level of basement is under single strata ownership, will be owned by the Group’s joint venture company, Northern Retail Pte Ltd and managed by our associate company, Trendsteq Pte Ltd, which has a team of expertise in property and project management. To date Wisteria Mall has an occupancy rate of more than 80% with a good tenant mix including a supermarket, a food court, a fitness club and other retail and service outlets.

Financial Position

The financial position of the Group continues to be stable. Net assets stood at S\$131.1 million as at 30 June 2018 and net asset value per share was 40.65 cents.

The Group’s cash position remained healthy at S\$37.6 million as at 30 June 2018 as compared to S\$30.4 million as at 31 December 2017.

Business Outlook

On 13 July 2018, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 3.8 per cent on a year-on-year basis in the second quarter of 2018, moderating from the 4.3 per cent growth in the previous quarter. The construction sector contracted by 4.4 per cent on a year-on-year basis in the second quarter, extending the 5.2 per cent decline in the previous quarter. The sector was weighed down primarily by the continued weakness in private sector construction activities.

The industry outlook remains challenging in the next 12 months with increasing competition, labour shortages and rising business costs. The Group expects the construction demand to remain weak and coupled with intense competition, tenders will continue to be challenging in the near term and bid prices will remain competitive at compressed margins.

The Group will continue to focus on its core businesses 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.

The Group will continue to explore business opportunities both locally and in the region, particularly in Thailand, to maintain and sustain its long term growth.

As at the date of this announcement, the Group has an order book of approximately S\$165 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 Thailand. Its General Construction activities are mainly undertaken through its wholly-owned subsidiary, Singapore Engineering & Construction Pte. Ltd. ("SEC"), a company it acquired in 2001. SEC has a 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; **LakeLife**, a development for 546 units of executive condominium on a 99-year leasehold HDB land site at Yuan Ching Road/Tao Ching Road, Jurong and **The Wisteria** and **Wisteria Mall**, a proposed mixed residential and commercial property development on a 99-year leasehold land parcel at Yishun Ave 4.

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:

- a S\$57.6 million contract to design, fabricate and install four blocks of housing at Upper Aljunied Road using Pre-fabricated, Pre-finished Volumetric Construction (PPVC) modular system, due to be completed in 2018;
- the design and construction of the Gawi Marine Base and bridge connecting to Pulau Poh in Kenyir Lake in Terengganu, which is expected to be completed in the second half of 2018;
- a S\$80.3 million Walk2Ride programme awarded to a joint venture, Singapore Piling – Shincon JV by the Land Transport Authority 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 Engineering & Construction Pte. Ltd. (formerly known as Singapore Piling & Civil Engineering Private Limited) has a 51% share in the joint venture;
- development and upgrading of the proposed Pan Borneo Highway in the state of Sarawak comprising construction works at the Bakun Interchange, Suai Interchange, Niah Interchange and Niah Bridge of Work Package 10. This project is scheduled to be completed at the end of 2019; and
- design and build contract for the construction of Wisteria Mall and The Wisteria (apartments) in Yishun Ave 4 for S\$116 million with TOP obtained in July 2018. BBR has an effective equity interest of 25.05% 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:

- The **Goh & Goh Building** is a freehold building situated at the intersection of Jalan Jurong Kechil and Upper Bukit Timah Road which was acquired in September 2017 by the Group for re-development purpose. The Group is progressing on track to re-develop the 2,868.3 sqm freehold property with a plot ratio of 3.0. into a mixed commercial and residential development project.
- **The Wisteria** and **Wisteria Mall** is a proposed mixed residential and commercial development, respectively, on a 99-years leasehold site at Yishun Avenue 4. There are 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. The Temporary Occupation Permit (TOP) for the entire development will be successfully obtained by third quarter of this year and the grand opening of the Wisteria Mall was on 28 July 2018. BBR has a 25% effective interest in this development.