

BUSINESS UPDATE FOR THE THIRD QUARTER ENDED 30 JUNE 2024

KEY FINANCIAL HIGHLIGHTS FOR GROUP

Summarised Statement of Comprehensive Income	9M2024 S\$'000	3Q2024 S\$'000
Revenue	1,139,982	381,691
Gross profit	107,289	32,614
Profit after tax	72,647*	34,121*
Total comprehensive income for the period	72,151	32,816

Summarised Balance Sheet	30.06.2024 S\$'000
Non-current assets	125,766
Current assets	741,144
Total assets	866,910
Current liabilities	382,819
Non-current liabilities	31,268
Total liabilities	414,087
Net assets	452,823

Loans and Borrowings	30.06.2024 S\$'000
Current	206,973
Non-current	20,107
Total loans and borrowings	227,080
Cash and cash equivalents	160,216
Net loans and borrowings	66,864

Summarised Statement of Cash Flows	9M2024 S\$'000
Net cash flows generated from operating activities	157,275
Net cash flows generated from investing activities	18,535
Net cash flows used in financing activities	(199,571)
Net decrease in cash and cash equivalents	(23,761)
Cash and cash equivalents at beginning of period	184,624
Effects of exchange rate changes on cash and cash equivalents	(647)
Cash and cash equivalents at end of financial period	160,216

*Included in the 9M2024 and 3Q2024 profit after tax of S\$72.6 million and S\$34.1 million respectively is gain on disposal of an associate of S\$16.5 million. Please refer to the Company's announcement on 7 June 2024 for the completion of disposal.

COMMENTARY

Based on advance estimates provided by the Ministry of Trade and Industry ("MTI"), the Singapore economy grew by 2.9% on a year-on-year ("y-o-y") basis in the second quarter of 2024 ("2Q2024"), extending the 3.0% growth recorded in the previous quarter. In this period, the construction sector grew by 4.3% y-o-y, marking the 13th consecutive quarter of growth for the sector.¹ According to the MTI, growth during this quarter was supported by an increase in public sector construction output.²

In the previous quarter, growth in the construction sector was also driven by the public sector, where there were higher certified progress payments (+18.5%) and an increase in contracts awarded (+8.9%).

On the other hand, both certified progress payments and contracts awarded contracted for the private sector, declining 4.7% and 43.7% y-o-y respectively, in the first quarter of 2024 ("1Q2024"). For the private sector, this decline in certified progress payments was led by the private industrial (-13.2%) and private institutional and others (-25.8%) building works and, for contracts awarded, this contraction was led by private residential (-16.6%) and commercial (-94.2%) building works.³

Be that as it may, BRC's sales order book continued to remain robust, standing at S\$1.32 billion as at 30 June 2024. The duration of projects in our sales order book range up to 5 years and may be subject to further changes.

Going forward, although we continue to expect a steady pipeline of projects to be launched and awarded, particularly from the public sector, project offtake from ongoing projects had remained generally disappointing over the last 6 months.

On behalf of the Board of Directors

Seah Kiin Peng
Chief Executive Officer

Singapore
6 August 2024

¹ The last time the construction sector shrank on a y-o-y basis was in the first quarter of 2021, where a decline of 23.2% was recorded.

² https://www.mti.gov.sg/Newsroom/Press-Releases/2024/04/Singapore-GDP-Grew-by-2_9-Per-Cent-in-the-Second-Quarter-of-2024

³ <https://www.mti.gov.sg/Resources/Economic-Survey-of-Singapore/2024/Economic-Survey-of-Singapore-First-Quarter-2024>