



## BBR Holdings' First Half 2014 Net Profit Surges 110% to S\$10.2 million

### Highlights

- Robust revenue and net profit growth
- Current order book of S\$850 million
- Increased NAV per share and EPS at 43.47 cents and 1.67 cents respectively

Period ended 30 June (S\$m)	2Q2014 (3mths)	2Q2013 (3mths)	Change	1H2014 (6mths)	1H2013 (6mths)	Change
Revenue	191.6	104.3	▲84%	334.4	182.5	▲83%
Gross Profit	10.6	6.8	▲55%	21.9	14.1	▲56%
Profit Before Tax	6.3	3.5	▲80%	12.4	6.1	▲104%
Net Profit after tax attributable to equity holders	5.1	2.8	▲84%	10.2	4.8	▲110%
Earnings Per Share (Basic EPS) (cents)	1.67	0.91	▲84%	3.31	1.58	▲109%

**SINGAPORE, 5 August 2014** – MAINBOARD-LISTED **BBR Holdings (S) Ltd** (BBR 控股) (“BBR” or “the Group”) achieved robust revenue growth of 83% to S\$334.4 million for the six months ended 30 June 2014 (1H2014), as compared to S\$182.5 million recorded in the corresponding period (1H2013). Likewise, net profit attributable to equity holders surged 110% to S\$10.2 million as compared to S\$4.8 million one year ago.

Chief Executive Officer Mr Andrew Tan (陈庆辉) said: ***“We are confident that the Group can sustain its profitability backed by our strong order book of S\$850 million, predominantly in Singapore and Malaysia, as well as ongoing efforts to improve productivity and cost effectiveness across all business segments.*”**

***We expect stronger contribution from Malaysia, which contributed 10% to our top-line last year. Our expertise in specialised engineering works, in particular for bridge construction, puts us in good stead to tap on the strong demand for such projects in Malaysia.***

***As for the property segment, we are pleased to report that Bliss@Kovan is 94% sold and is due for completion (TOP) in 2015. At the same time, we are gearing for the project rollout for the 35% owned executive condominium development at Yuan Ching/ Tao Ching Road which will be launched for sale in the 4Q2014.”***

## **Second Quarter Review**

For the second quarter ended 30 June 2014 (2Q2014), both revenue and net profit leaped by 84%. The higher revenue of S\$191.6 million in 2Q2014 was attributable to higher revenue recognised from the general construction and property development segments, which was partially offset by lower revenue from the specialised engineering segment.

Since 2014, most of the Group’s general construction projects have been in their active stage of construction, which explained the revenue increase in this segment. In property development, the improved revenue was due to higher percentage of construction work done in 2Q2014 for the 140-unit condominium Bliss@Kovan.

Gross profit for 2Q2014 increased 55% to S\$10.6 million mainly attributable to profits from the property development and general construction segments, the latter due to higher revenue in the current quarter. Net profit attributable to equity holders jumped to S\$5.1 million in 2Q2014 and basic earnings per share for 2Q2014 was 84% higher at 1.67 Singapore cents, compared to 0.91 Singapore cents a year ago.

## **Financial Position**

The Group's financial position continues to be strong. As at 30 June 2014, the Group's Net Asset Value stood at S\$133.6 million compared to S\$125.6 million as at 31 December 2013. This translates to a Net Asset per share of 43.47 cents and 40.98 cents respectively.

Cash and cash equivalents, and pledged deposits increased to S\$30.4 million as at 30 June 2014 from S\$23.7 million as at 31 December 2013, due mainly to cash received from operations and partially offset by term loan repayments in the six months ended 30 June 2014. Total bank loans and borrowings reduced by S\$7.7 million to S\$48.2 million as at 30 June 2014 from S\$55.9 million as at 31 December 2013, mainly from term loan repayments for Bliss @Kovan.

Market capitalisation was S\$87.8 million based on the closing share price of Singapore 28.5 cents as at 5 August 2014.

## **Business Outlook**

On 14 July 2014, the Ministry of Trade and Industry announced that based on advance estimates, the Singapore economy grew by 2.1% on a year-on-year basis in the second quarter of 2014, slower than the 4.7% growth in the previous quarter. On a quarter-on-quarter seasonally-adjusted annualised basis, the economy contracted by 0.8%, a reversal from the 1.6% growth in the preceding quarter.

The construction sector grew by 5.0% on a year-on-year basis, compared to 6.4% in the preceding quarter. The lower rate of growth was due to a slowdown in private sector construction activities. On a quarter-on-quarter basis, the sector expanded at an annualised rate of 2.6%, an improvement from the 0.5% contraction recorded in the previous quarter.

While the industry outlook remains challenging in the next 12 months amid increasing competition and an expected increase in labour cost due to higher foreign worker levies and tight supply of foreign workers, the Group is confident of steering through this challenging environment.

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

*This press release should be read in conjunction with the full SGX announcement released by BBR on 5 August 2014. A copy of the announcement is available on [www.sgx.com](http://www.sgx.com).*

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### **About BBR Group ([www.bbr.com.sg](http://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 and Property Development.

Established in 1993, the Group today has a presence in Singapore, Malaysia and 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 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 condominium development with 56 spacious units in two 12-storey blocks completed in 2012; **Bliss@Kovan**, another freehold site to be developed into a five-storey condominium with superior design elements consisting of 140 units; **8 Nassim Hill**, an upmarket development comprising 16 super luxury triplex units with basement carparks completed in 2010 and proposed development of approximately 500 units of **executive condominium** on a 99-year leasehold HDB land site **at Yuan Ching Road/Tao Ching Road, Jurong**.

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

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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\$196 million contract to construct green Halls of Residence at Nanyang Technological University, scheduled for completion in 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\$153.1 million contract to design and construct a mixed-use development at Fusionopolis Place, scheduled for completion at the end of 2014;
- a S\$102.7 million contract to construct housing and sports facilities (Phase 1) for The Singapore University of Technology and Design at Changi, Singapore scheduled for completion in phases in third quarter 2013 and fourth quarter 2014;
- two contracts totalling RM76.45 million to construct and complete the facilities works for the Kelana Jaya LRT Line Extension Project, Package A and B, in Kuala Lumpur, Malaysia, which are expected to be completed in the second half of 2015;
- a S\$79.8 million contract secured from the Land Transport Authority to widen Keppel Viaduct targeted to be completed in the second half of 2015;
- a S\$413.8 million construction contract awarded to a joint venture, Takenaka–Singapore Piling Joint Venture by the National Heritage Board to restore two iconic heritage monuments in the heart of the Civic District, the former Supreme Court and the adjacent City Hall targeted for completion in 2015. BBR's wholly-owned subsidiary, Singapore Piling & Civil Engineering Private Limited has a 25% share in the joint venture;

- a S\$139.6 million contract from the Urban Redevelopment Authority to construct Phase 3B (MC02) of the Proposed Common Services Tunnel at Marina Bay targeted for completion in the second half of 2014;
- a LTA contract worth S\$81.5 million to design and construct the Tai Seng Facility Building for the Downtown Line Project with completion in the fourth quarter of 2014;
- a S\$179 million contract from the Housing and Development Board (HDB) to construct 17 blocks of 1,386 new homes in Pasir Ris Neighbourhood 5 due to be completed in the second half of 2014;
- a S\$108 million contract from the HDB to build 808 HDB flats at Kallang Whampoa C23B due to be completed by end 2015;
- 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;
- a S\$74.9 million contract from the HDB to build 474 HDB flats at Sengkang Neighbourhood 2 due to be completed by the second quarter of 2015;
- a building contract for Dulwich College, Singapore's first British independent school due to be completed by the third quarter of 2014;
- 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 2015 and second quarter of 2016 respectively; and
- 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 second half of 2015.

## **2) Property Development Segment**

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

- Bliss@Kovan is a freehold site on Simon Lane, Singapore that is under construction and is to be developed into a five-storey condominium with superior design elements consisting of 140 units; and
- BBR has formed an associate company with a consortium of investors to develop approximately 500 units of executive condominium that offers modern and lifestyle design features at Yuan Ching Road/Tao Ching Road, Jurong, Singapore.