



**BBR Holdings (S) Ltd and its subsidiaries**  
Company Registration No. 199304349M

Condensed Interim Financial Statements  
For the six months ended 30 June 2021

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

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**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Condensed interim consolidated statement of comprehensive income**  
**For the 6 months ended 30 June 2021**

		Group		
		6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000	Change %
	Note			
<b>Revenue</b>	4	78,114	42,428	84.1
<b>Cost of sales</b>		<u>(73,704)</u>	<u>(42,299)</u>	74.2
<b>Gross profit</b>		4,410	129	N.M.
Other operating income		885	710	24.6
Other income/(expense)		471	(862)	N.M.
Administrative costs		(1,891)	(2,895)	(34.7)
Other operating costs		(7,769)	(9,555)	(18.7)
Finance costs		(2,035)	(1,710)	19.0
Share of results of joint ventures		531	(359)	N.M.
Share of results of associates		<u>215</u>	<u>204</u>	5.4
<b>Loss before taxation</b>	6	(5,183)	(14,338)	(63.9)
Income tax credit	7	14	63	(77.8)
<b>Loss for the period</b>		<u><b>(5,169)</b></u>	<u><b>(14,275)</b></u>	(63.8)
<b>Other comprehensive income:</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign currency translation loss		(174)	(167)	4.2
Other comprehensive income for the period		(174)	(167)	4.2
<b>Total comprehensive income for the period</b>		<u><b>(5,343)</b></u>	<u><b>(14,442)</b></u>	(63.0)
<b>Loss attributable to:</b>				
Equity holders of the Company		(4,521)	(13,031)	(65.3)
Non-controlling interests		<u>(648)</u>	<u>(1,244)</u>	(47.9)
		<u><b>(5,169)</b></u>	<u><b>(14,275)</b></u>	(63.8)
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company		(4,678)	(13,197)	(64.6)
Non-controlling interests		<u>(665)</u>	<u>(1,245)</u>	(46.6)
		<u><b>(5,343)</b></u>	<u><b>(14,442)</b></u>	(63.0)
Loss per share (cents per share)				
Basic	9	<u><b>(1.40)</b></u>	<u><b>(4.04)</b></u>	(65.3)
Diluted	9	<u><b>(1.40)</b></u>	<u><b>(4.04)</b></u>	(65.3)
N.M. - Not meaningful				

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**Condensed interim statements of financial position**  
**As at 30 June 2021**

	Note	Group		Company	
		30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
<b>Non-current assets</b>					
Property, plant and equipment	11	28,102	28,887	12,413	12,593
Right-of-use assets		3,659	4,287	1,879	1,905
Investments in subsidiaries		-	-	53,932	53,932
Investments in joint ventures		10,051	9,590	-	-
Investments in associates		1,290	1,075	260	260
Deferred tax assets		3,100	3,100	-	-
Contract assets	13	15,116	7,645	-	-
Loans to a joint venture		8,682	8,643	-	-
		<u>70,000</u>	<u>63,227</u>	<u>68,484</u>	<u>68,690</u>
<b>Current assets</b>					
Trade receivables	5,12	10,801	42,117	-	28
Amounts due from subsidiaries		-	-	5,092	6,089
Contract assets	13	78,404	79,257	-	-
Capitalised contract costs	14	5,888	5,557	-	-
Development properties	15	71,308	77,074	-	-
Properties held for sale		1,570	1,598	-	-
Inventories		3,940	3,747	-	-
Investment securities		8	8	-	-
Other receivables		5,374	6,747	135	142
Pledged deposits		4,231	4,267	-	-
Cash and bank balances		65,139	53,566	1,434	1,901
Income tax recoverable		89	59	-	-
		<u>246,752</u>	<u>273,997</u>	<u>6,661</u>	<u>8,160</u>
<b>Total assets</b>		<b>316,752</b>	<b>337,224</b>	<b>75,145</b>	<b>76,850</b>
<b>Current liabilities</b>					
Amounts due to subsidiaries		-	-	7,474	9,113
Contract liabilities	13	28,510	23,901	-	-
Trade and other payables	5	42,438	45,071	156	93
Deferred income		190	187	-	-
Other liabilities		6,527	13,617	496	1,015
Derivatives		681	1,431	-	-
Lease liabilities		1,005	1,101	25	25
Loans and borrowings	16	3,192	4,330	462	462
Income tax payable		122	164	5	5
		<u>82,665</u>	<u>89,802</u>	<u>8,618</u>	<u>10,713</u>
<b>Net current assets/(liabilities)</b>		<b>164,087</b>	<b>184,195</b>	<b>(1,957)</b>	<b>(2,553)</b>

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**Condensed interim statements of financial position**  
**As at 30 June 2021**

	Note	Group		Company	
		30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
<b>Non-current liabilities</b>					
Trade payables	5	2,840	3,118	-	-
Deferred income		2,641	2,690	-	-
Deferred tax liabilities		238	241	-	-
Lease liabilities		2,751	3,252	2,029	2,041
Loans and borrowings	16	140,954	148,115	8,068	8,307
		<u>149,424</u>	<u>157,416</u>	<u>10,097</u>	<u>10,348</u>
<b>Total liabilities</b>		<b>232,089</b>	<b>247,218</b>	<b>18,715</b>	<b>21,061</b>
<b>Net assets</b>		<b>84,663</b>	<b>90,006</b>	<b>56,430</b>	<b>55,789</b>
<b>Equity attributable to equity holders of the Company</b>					
Share capital	18	49,082	49,082	49,082	49,082
Treasury shares	19	(566)	(566)	(566)	(566)
Retained earnings		41,757	46,278	7,914	7,273
Foreign currency translation reserve		(36)	121	-	-
		<u>90,237</u>	<u>94,915</u>	<u>56,430</u>	<u>55,789</u>
Non-controlling interests		(5,574)	(4,909)	-	-
<b>Total equity</b>		<b>84,663</b>	<b>90,006</b>	<b>56,430</b>	<b>55,789</b>

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Condensed interim statements of changes in equity  
For the 6 months ended 30 June 2021

**Group**

	Attributable to equity holders of the Company						
	Share capital \$'000	Treasury shares \$'000	Retained earnings \$'000	Foreign currency translation reserve \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>Balance at 1 January 2021</b>	49,082	(566)	46,278	121	94,915	(4,909)	90,006
<u>Total comprehensive income</u>							
Loss for the period	-	-	(4,521)	-	(4,521)	(648)	(5,169)
Other comprehensive income for the period	-	-	-	(157)	(157)	(17)	(174)
<b>Total comprehensive income for the period</b>	-	-	(4,521)	(157)	(4,678)	(665)	(5,343)
<b>Balance at 30 June 2021</b>	<b>49,082</b>	<b>(566)</b>	<b>41,757</b>	<b>(36)</b>	<b>90,237</b>	<b>(5,574)</b>	<b>84,663</b>
<b>Balance at 1 January 2020</b>	49,082	(566)	72,719	74	121,309	(2,791)	118,518
<u>Total comprehensive income</u>							
Loss for the period	-	-	(13,031)	-	(13,031)	(1,244)	(14,275)
Other comprehensive income for the period	-	-	-	(166)	(166)	(1)	(167)
<b>Total comprehensive income for the period</b>	-	-	(13,031)	(166)	(13,197)	(1,245)	(14,442)
<b>Balance at 30 June 2020</b>	<b>49,082</b>	<b>(566)</b>	<b>59,688</b>	<b>(92)</b>	<b>108,112</b>	<b>(4,036)</b>	<b>104,076</b>

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim statements of changes in equity**  
**For the 6 months ended 30 June 2021**

**Company**

	<b><u>Attributable to equity holders of the Company</u></b>			
	<b>Share capital</b>	<b>Treasury shares</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 January 2021</b>	49,082	(566)	7,273	55,789
<u>Total comprehensive income</u>				
Profit for the period	-	-	641	641
<b>Total comprehensive income for the period</b>	-	-	641	641
<b>Balance at 30 June 2021</b>	49,082	(566)	7,914	56,430
<b>Balance at 1 January 2020</b>	49,082	(566)	11,292	59,808
<u>Total comprehensive income</u>				
Profit for the period	-	-	2,270	2,270
<b>Total comprehensive income for the period</b>	-	-	2,270	2,270
<b>Balance at 30 June 2020</b>	49,082	(566)	13,562	62,078

**BBR Holdings (S) Ltd and its subsidiaries**  
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**Condensed interim consolidated statement of cash flows**  
**For the 6 months ended 30 June 2021**

	<b>Group</b>	
	<b>6 months ended</b>	<b>6 months ended</b>
	<b>30 June</b>	<b>30 June</b>
	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Loss before taxation	(5,183)	(14,338)
Adjustments for:		
Depreciation of property, plant and equipment	1,170	2,059
Depreciation of right-of-use assets	634	857
Amortisation of deferred income	(97)	(93)
Amortisation of capitalised contract costs	68	-
Allowance/(write back) for inventory obsolescence	8	(28)
Loss provision on trade receivables and contract assets	734	163
Share of results of joint ventures	(531)	359
Share of results of associates	(215)	(204)
Accreted interest	128	52
Fair value (gain)/loss on derivatives	(750)	878
Gain on disposal of property, plant and equipment	(30)	(51)
Interest income	(56)	(183)
Interest expense	1,907	1,658
<b>Operating cash flows before working capital changes</b>	<b>(2,213)</b>	<b>(8,871)</b>
<u>Changes in working capital</u>		
Development properties	5,766	(49,412)
Contract assets	(7,249)	12,344
Trade receivables	30,792	1,474
Other receivables	1,345	51
Inventories	(209)	3,045
Trade and other payables	(2,823)	(12,085)
Contract liabilities	4,717	8,089
Other liabilities	(7,412)	1,187
<b>Cash generated from/(used in) operations</b>	<b>22,714</b>	<b>(44,178)</b>
Interest paid	(1,735)	(2,288)
Interest received	68	160
Income tax paid	(63)	(27)
<b>Net cash generated from/(used in) operating activities</b>	<b>20,984</b>	<b>(46,333)</b>



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**Condensed interim consolidated statement of cash flows**  
**For the 6 months ended 30 June 2021**

	Group	
	6 months ended 30 June 2021 \$'000	6 months ended 30 June 2020 \$'000
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(522)	(1,140)
Proceeds from disposal of property, plant and equipment	43	110
Distribution of profits from joint ventures	69	84
<b>Net cash used in investing activities</b>	<b>(410)</b>	<b>(946)</b>
<b>Cash flows from financing activities</b>		
(Repayment of)/proceeds from short term borrowings	(496)	32
Proceeds from long term borrowings	5,000	31,520
Repayment of long term borrowings	(15,791)	(789)
Repayment of lease liabilities	(702)	(803)
Increase in pledged deposits	(11)	(70)
Loans from non-controlling interests	3,078	9,120
<b>Net cash (used in)/generated from financing activities</b>	<b>(8,922)</b>	<b>39,010</b>
Net increase/(decrease) in cash and cash equivalents	11,652	(8,269)
Effect of exchange rate changes on cash and cash equivalents	(79)	(17)
Cash and cash equivalents at beginning of the period	53,566	48,964
<b>Cash and cash equivalents at end of the period</b>	<b>65,139</b>	<b>40,678</b>
<u>Comprising:</u>		
Cash and bank balances	34,859	25,903
Fixed deposits	34,511	19,639
	69,370	45,542
Less: Fixed deposits pledged with financial institutions	(4,231)	(4,864)
	<b>65,139</b>	<b>40,678</b>

**Notes to the condensed interim consolidated financial statements**

**1. Corporate information**

BBR Holdings (S) Ltd (“the Company”) is a limited liability company, which is incorporated and domiciled in the Republic of Singapore and whose shares are publicly traded on the Mainboard of Singapore Exchange. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is investment holding. The Group is principally involved in the business of specialised engineering, general construction, property development, green technology and investment holding.

**2. Basis of preparation**

The condensed interim financial statements of the Group have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore.

The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollar (“SGD” or “\$”) and all values are rounded to the nearest thousand (“\$’000”), except when otherwise indicated.

**2.1 New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

## **BBR Holdings (S) Ltd and its subsidiaries**

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### **Notes to the condensed interim consolidated financial statements**

#### **2.2 Use of judgements and estimates**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

##### **(a) *Revenue recognition on construction contracts***

The Group recognises contract revenue over time by reference to the Group's progress towards completing the contract work. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs.

Management has to estimate the total contract costs to complete, which are used in the input method to determine the Group's recognition of construction revenue. Additionally, management is required to evaluate adjustments to contract consideration due to variation works and key material price adjustments. When it is probable that the total contract costs will exceed the total contract consideration, a provision for onerous contracts is recognised immediately.

Significant judgements are used to estimate these total contract costs to complete and total contract consideration. In making these estimates, management has relied on the expertise of the project directors to determine the progress of the construction and also on past experience of completed projects.

Revenue from construction contracts as well as the carrying amounts of contract assets and contract liabilities are disclosed in Note 5 and Note 13 to the condensed interim financial statements.

**Notes to the condensed interim consolidated financial statements**

**2.2 Use of judgements and estimates (cont'd)**

(b) ***Provision for expected credit losses of trade receivables and contract assets***

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of trade receivables and contract assets are disclosed in Note 12 and Note 13 to the condensed interim financial statements.

(c) ***Estimation of net realisable value of development properties***

Development properties are stated at the lower of cost and net realisable value.

Net realisable value of development properties is the estimated selling price in the ordinary course of the business, based on market prices at the end of the reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of development properties is disclosed in Note 15 to the condensed interim financial statements.

**3. Seasonal operations**

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

**Notes to the condensed interim consolidated financial statements**

**4. Segment and revenue information**

***Business information***

For management purposes, the Group has four reportable segments organised based on their products and services as follows:

*Specialised engineering*

This segment is in the business of post-tensioning, installation of stay cable systems for structural engineering applications, piling and foundation systems, heavy lifting, bridge design and construction, maintenance, strengthening, retrofitting and prefabricated pre-finished volumetric construction systems.

*General construction*

This segment is in the business of design and build, general building construction, civil and structural engineering construction, and conservation and restoration of buildings.

*Property development*

This segment is in the business of property development, focusing on developing residential properties and mixed developments, and the provision of property management and consultancy services.

*Green technology*

This segment is in the business of system integration and distribution of renewable energy, and supply, installation and leasing of solar panels and grid connected systems.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Segment revenue and expenses, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Inter-segment transfers of revenue and expenses include transfers between business segments and are eliminated on consolidation. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

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**Notes to the condensed interim consolidated financial statements**

**4.1 Reportable segments**

	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2021 to 30 June 2021</u></b>					
<b>Revenue</b>					
External revenue	46,880	26,900	2,227	2,060	<b>78,067</b>
Inter-segment revenue	1,631	180	-	70	<b>1,881</b>
<b>Total revenue</b>	<b>48,511</b>	<b>27,080</b>	<b>2,227</b>	<b>2,130</b>	<b>79,948</b>
<b>Results:</b>					
Interest income	15	2	39	-	<b>56</b>
Interest expense	109	-	1,616	10	<b>1,735</b>
Depreciation of property, plant and equipment	646	13	6	318	<b>983</b>
Depreciation of right-of-use assets	609	-	-	-	<b>609</b>
Share of results of associates	193	-	22	-	<b>215</b>
Share of results of joint ventures	-	69	462	-	<b>531</b>
<b>Other non-cash items:</b>					
Allowance for inventories obsolescence	8	-	-	-	<b>8</b>
Amortisation of deferred income	-	-	-	(97)	<b>(97)</b>
Amortisation of capitalised contract cost	-	-	68	-	<b>68</b>
Accreted interest	77	-	-	51	<b>128</b>
Fair value gain on derivatives	-	-	(750)	-	<b>(750)</b>
Loss provision on trade receivables and contract assets	734	-	-	-	<b>734</b>
Segment (loss)/profit before taxation	(2,903)	91	(739)	87	<b>(3,464)</b>
Income tax (credit)/expense	(26)	-	12	-	<b>(14)</b>
<b>Assets</b>					
Investment in joint ventures	73	-	9,978	-	<b>10,051</b>
Investment in associates	1,084	-	206	-	<b>1,290</b>
Additions to property, plant and equipment	541	9	(40)	5	<b>515</b>
<b>Segment assets</b>	<b>73,778</b>	<b>23,113</b>	<b>192,378</b>	<b>11,605</b>	<b>300,874</b>
<b>Segment liabilities</b>					
	<b>44,984</b>	<b>35,511</b>	<b>135,910</b>	<b>4,300</b>	<b>220,705</b>

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**Notes to the condensed interim consolidated financial statements**

**4.1 Reportable segments (cont'd)**

	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2020 to 30 June 2020</u></b>					
<b>Revenue</b>					
External revenue	29,802	7,901	-	4,678	42,381
Inter-segment revenue	2,451	1,448	-	77	3,976
<b>Total revenue</b>	<b>32,253</b>	<b>9,349</b>	<b>-</b>	<b>4,755</b>	<b>46,357</b>
<b>Results:</b>					
Interest income	50	14	119	-	183
Interest expense	175	-	1,281	34	1,490
Depreciation of property, plant and equipment	614	213	1	338	1,166
Depreciation of right-of-use assets	609	-	-	-	609
Share of results of associates	47	-	157	-	204
Share of results of joint ventures	-	84	(443)	-	(359)
<b>Other non-cash items:</b>					
Write back for inventories obsolescence	(28)	-	-	-	(28)
Amortisation of deferred income	-	-	-	(93)	(93)
Accreted interest	-	-	-	52	52
Fair value loss on derivatives	-	-	878	-	878
Loss provision on trade receivables and contract assets	163	-	-	-	163
Segment (loss)/profit before taxation	(2,703)	(6,272)	(3,140)	341	(11,774)
Income tax credit	(63)	-	-	-	(63)
<b>Assets</b>					
Investment in joint ventures	-	-	9,988	-	9,988
Investment in associates	938	-	952	-	1,890
Additions to property, plant and equipment	1,102	2	2	22	1,128
<b>Segment assets</b>	<b>73,958</b>	<b>15,904</b>	<b>204,663</b>	<b>14,263</b>	<b>308,788</b>
<b>Segment liabilities</b>					
	36,858	23,517	143,977	4,441	208,793

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**Notes to the condensed interim consolidated financial statements**

**4.1 Reportable segments (cont'd)**

**Reconciliations of reported segment revenue, loss before taxation,  
and other material items**

	<b>6 months ended 30 June 2021 \$'000</b>	<b>6 months ended 30 June 2020 \$'000</b>
<b>Revenue</b>		
Total revenue for reportable segments	79,948	46,357
Management fee from an associate	47	47
Elimination of intersegment revenue	(1,881)	(3,976)
	<u>78,114</u>	<u>42,428</u>
<b>Loss before tax</b>		
Total loss before taxation for reportable segments	(3,464)	(11,774)
Management fee from an associate	47	47
Unallocated amounts:		
Other corporate income	87	182
Other corporate expenses	(1,853)	(2,793)
	<u>(5,183)</u>	<u>(14,338)</u>

**Reconciliations of reported segment assets and liabilities**

	<b>30-Jun-21 \$'000</b>	<b>30-Jun-20 \$'000</b>
<b>Assets</b>		
Total assets for reportable segments	300,874	308,788
Other unallocated amounts	15,878	16,550
	<u>316,752</u>	<u>325,338</u>
<b>Liabilities</b>		
Total liabilities for reportable segments	220,705	208,793
Other unallocated amounts	11,384	12,469
	<u>232,089</u>	<u>221,262</u>



**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**4.2 Disaggregation of revenue**

	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2021 to 30 June 2021</u></b>					
Types of goods or services:					
Revenue from contracts with customers	46,880	26,900	2,227	1,459	77,466
Solar leasing income	-	-	-	601	601
	<u>46,880</u>	<u>26,900</u>	<u>2,227</u>	<u>2,060</u>	<u>78,067</u>
Timing of transfer of goods or services					
At a point in time	265	-	-	56	321
Over time	46,615	26,900	2,227	2,004	77,746
	<u>46,880</u>	<u>26,900</u>	<u>2,227</u>	<u>2,060</u>	<u>78,067</u>
Geographical information:					
Singapore	26,642	26,900	2,227	2,060	57,829
Malaysia	13,895	-	-	-	13,895
Thailand	6,343	-	-	-	6,343
	<u>46,880</u>	<u>26,900</u>	<u>2,227</u>	<u>2,060</u>	<u>78,067</u>
	<u>Specialised Engineering</u> \$'000	<u>General Construction</u> \$'000	<u>Property Development</u> \$'000	<u>Green Technology</u> \$'000	<u>Total</u> \$'000
<b><u>1 January 2020 to 30 June 2020</u></b>					
Types of goods or services:					
Revenue from contracts with customers	29,802	7,901	-	3,973	41,676
Other revenue:					
Solar leasing income	-	-	-	705	705
	<u>29,802</u>	<u>7,901</u>	<u>-</u>	<u>4,678</u>	<u>42,381</u>
Timing of transfer of goods or services					
At a point in time	747	2,915	-	49	3,711
Over time	29,055	4,986	-	4,629	38,670
	<u>29,802</u>	<u>7,901</u>	<u>-</u>	<u>4,678</u>	<u>42,381</u>
Geographical information:					
Singapore	15,613	7,901	-	4,678	28,192
Malaysia	10,792	-	-	-	10,792
Thailand	3,397	-	-	-	3,397
	<u>29,802</u>	<u>7,901</u>	<u>-</u>	<u>4,678</u>	<u>42,381</u>

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**5. Financial assets and financial liabilities**

	Group		Company	
	30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
<b>Financial assets measured at amortised cost</b>				
Contract receivables				
- External parties	10,503	38,642	-	-
Goods and services tax receivable	298	3,475	-	28
<b>Total trade receivables</b>	<b>10,801</b>	<b>42,117</b>	<b>-</b>	<b>28</b>
Less				
- Goods and services tax receivable	(298)	(3,475)	-	(28)
Add:				
- Loans to a joint venture	8,682	8,643	-	-
- Amounts due from subsidiaries	-	-	5,092	6,089
- Other receivables, excluding prepayments	4,961	6,302	135	142
- Pledged deposits	4,231	4,267	-	-
- Cash and cash equivalents	65,139	53,566	1,434	1,901
<b>Total financial assets measured at amortised cost</b>	<b>93,516</b>	<b>111,420</b>	<b>6,661</b>	<b>8,132</b>
<b>Financial assets measured at fair value through profit or loss</b>				
Investment securities	8	8	-	-

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**5. Financial assets and financial liabilities (cont'd)**

	Group		Company	
	30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
<b>Financial liabilities measured at amortised cost</b>				
<b>Non-current:</b>				
Retention payables	2,840	3,118	-	-
<b>Current:</b>				
Trade payables	35,666	39,165	10	7
Retention payables	4,605	3,767	-	-
Other payables	1,391	1,406	86	86
Goods and services tax payable	776	733	60	-
	<u>42,438</u>	<u>45,071</u>	<u>156</u>	<u>93</u>
<b>Total trade and other payables</b>	45,278	48,189	156	93
Less:				
Goods and services tax payable	(776)	(733)	(60)	-
Add:				
- Amounts due to subsidiaries	-	-	7,474	9,113
- Other liabilities excluding deferred grant income	5,602	11,920	496	964
- Lease liabilities	3,756	4,353	2,054	2,066
- Loans and borrowings	144,146	152,445	8,530	8,769
	<u>198,006</u>	<u>216,174</u>	<u>18,650</u>	<u>21,005</u>
<b>Total financial liabilities measured at amortised cost</b>				
<b>Financial liabilities measured at fair value through profit or loss</b>				
Derivatives	681	1,431	-	-

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**6. Loss before taxation**

**6.1 Significant items**

The following items of charges/(credits) have been included in arriving at loss for the period:

	<b>Group</b>		
	<b>6 months ended 30 June 2021 \$'000</b>	<b>6 months ended 30 June 2020 \$'000</b>	<b>Change %</b>
Depreciation of property, plant and equipment	1,170	2,059	(43.2)
Depreciation of right-of-use assets	634	857	(26.0)
Amortisation of deferred income	(97)	(93)	4.3
Amortisation of capitalised contract costs	68	-	N.M
Gain on disposal of property, plant and equipment	(30)	(51)	(41.2)
Allowance/(write back) for inventory obsolescence	8	(28)	N.M
Loss provision on trade receivables and contract assets	734	163	350.3
Interest expense	1,907	1,658	15.0
Accreted interest	128	52	146.2
Interest income	(56)	(183)	(69.4)
Rental income from premises	(342)	(171)	100.0
Foreign exchange loss/(gain)	279	(15)	N.M
Fair value (gain)/loss on derivatives	(750)	878	N.M
(Over)/under provision of current income tax in respect of prior years	(14)	11	N.M
Over provision of deferred income tax in respect of prior years	-	(74)	(100.0)

N.M - Not meaningful

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**6.2 Related party transactions**

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties who are not members of the Group took place at terms agreed between the parties during the financial period:

	<b>Group</b>	
	<b>6 months ended 30 June 2021 \$'000</b>	<b>6 months ended 30 June 2020 \$'000</b>
From an associate:		
Accounting services income	(34)	(34)
Recovery of license and other fees paid to a related party	(61)	(60)
Management fees income	(47)	(47)
From joint ventures:		
Construction revenue	-	(126)
Accounting services income	(51)	(51)
Interest income on loans	(39)	(75)
License and other fees to a related party	239	240
Purchases from a related party	268	123
Management fee income from a related party	(63)	(57)
Rental expense paid to a director of the Company	49	45

**7. Income tax credit**

	<b>Group</b>	
	<b>6 months ended 30 June 2021 \$'000</b>	<b>6 months ended 30 June 2020 \$'000</b>
<b><i>Consolidated statement of comprehensive income</i></b>		
Current income tax	-	-
(Over)/under provision of income tax in respect of previous years	(14)	11
	<u>(14)</u>	<u>11</u>
Deferred income tax:		
Origination and reversal of temporary differences	-	(74)
	<u>-</u>	<u>(74)</u>
Income tax credit recognised in profit or loss	<u>(14)</u>	<u>(63)</u>

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**8. Dividends**

There was no payment of dividends during the financial period.

**9. Loss per share**

	<b>Group</b>	
	<b>6 months ended 30 June 2021 Cents</b>	<b>6 months ended 30 June 2020 Cents</b>
Loss per ordinary share of the Group attributable to equity holders		
(a) Based on the weighted average number of ordinary shares in issue	(1.40)	(4.04)
(b) On a fully diluted basis (detailing any adjustment made to earnings)	(1.40)	(4.04)
	<hr/> <hr/>	
	<b>Number of shares</b>	
Weighted average number of shares during the financial period	322,388,218	322,388,218
	<hr/> <hr/>	

**10. Net asset value**

	<b>Group</b>		<b>Company</b>	
	<b>30-Jun-21</b>	<b>31-Dec-20</b>	<b>30-Jun-21</b>	<b>31-Dec-20</b>
Net asset value per ordinary share based on issued capital at the end of the period (cents)	27.99	29.44	17.50	17.30
	<hr/> <hr/>			
Number of shares as at the end of period/year	322,388,218	322,388,218	322,388,218	322,388,218
	<hr/> <hr/>			

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**11. Property, plant and equipment**

During the six months ended 30 June 2021, the Group acquired assets amounting to \$522,000 (30 June 2020: \$1,140,000) and disposed of assets amounting to \$13,000 (30 June 2020: \$59,000).

**12. Trade receivables**

	Group		Company	
	30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
Trade receivables	17,294	48,231	-	28
Less: Allowance for expected credit losses	(6,493)	(6,114)	-	-
	<u>10,801</u>	<u>42,117</u>	<u>-</u>	<u>28</u>

Trade receivables are non-interest bearing, unsecured and are generally on 30 to 90 days' terms. They are recognized at their original invoice amounts which represent their fair value on initial recognition.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables and contract assets computed based on lifetime ECL are as follows:

	Group			
	Trade receivables		Contract assets	
	30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
At beginning of period	6,114	2,854	5,940	3,980
Charge for the period	399	3,261	335	1,959
Exchange differences	(20)	(1)	(9)	1
At end of period	<u>6,493</u>	<u>6,114</u>	<u>6,266</u>	<u>5,940</u>

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**13. Contract assets and contract liabilities**

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

	<b>Group</b>	
	<b>30-Jun-21</b>	<b>31-Dec-20</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Receivables from contracts with customers</b>	<u>10,503</u>	<u>38,642</u>
<b>Contract assets from construction contracts</b>		
<u>Current</u>		
Unbilled revenue	16,055	18,229
Retention receivables	3,288	7,108
Less: Provision for onerous contracts	<u>(251)</u>	<u>(67)</u>
	19,092	25,270
<u>Non-current</u>		
Retention receivables	<u>15,116</u>	<u>7,645</u>
	<u>34,208</u>	<u>32,915</u>
<b>Contract assets from sale of development properties</b>		
<u>Current</u>		
Capitalised fulfilment costs	94,426	88,846
Contract liabilities	<u>(35,114)</u>	<u>(34,859)</u>
	59,312	53,987
<b>Total contract assets</b>	<u>93,520</u>	<u>86,902</u>
Current	78,404	79,257
Non-current	<u>15,116</u>	<u>7,645</u>
<b>Total contract assets</b>	<u>93,520</u>	<u>86,902</u>
<b>Contract liabilities from construction contracts</b>		
Contract liabilities	26,649	19,852
Add: Provision for onerous contracts	<u>1,861</u>	<u>4,049</u>
<b>Total contract liabilities</b>	<u>28,510</u>	<u>23,901</u>

The movement in capitalised fulfilment costs is as follows:

	<b>Group</b>	
	<b>30-Jun-21</b>	<b>31-Dec-20</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of period	88,846	-
Additions	6,668	90,089
Amortisation	<u>(1,088)</u>	<u>(1,243)</u>
Balance at end of period	<u>94,426</u>	<u>88,846</u>



## BBR Holdings (S) Ltd and its subsidiaries

### Condensed Interim Financial Statements

#### Notes to the condensed interim consolidated financial statements

#### 13. Contract assets and contract liabilities (cont'd)

##### (i) Contract assets

Unbilled revenue primarily relates to the Group's right to consideration for work completed but not yet billed at reporting date for construction contracts. Contract assets are transferred to receivables when the rights become unconditional.

Retention receivables are non-interest bearing, unsecured and relate to construction contracts. Retention receivables are classified as current or non-current based on the contractual terms of the respective construction contracts.

The changes in contract assets are due to the differences between certified work completed and revenue recognised on the construction contracts and movement in allowance for expected credit losses.

Capitalised fulfilment costs relate to land and land related costs of sold units. These capitalised costs are amortised to profit or loss when the related revenue is recognised.

The changes in contract assets from the sale of development properties are due to the differences between progress billings and revenue recognised, transfers of land and land related costs within development properties to capitalised fulfilment costs upon sale of development properties and the amortisation of capitalised fulfilment costs to profit or loss.

##### (ii) Contract liabilities

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts and sale of development properties. Contract liabilities are recognised as revenue as the Group performs under the contract.

Significant changes in provision for onerous contracts are explained as follows:

	Group	
	30-Jun-21	31-Dec-20
	\$'000	\$'000
Balance at beginning of period	4,116	2,400
Charge to profit or loss	535	10,169
Utilisation	(2,539)	(8,453)
Balance at end of period	<u>2,112</u>	<u>4,116</u>

**Notes to the condensed interim consolidated financial statements**

**14. Capitalised contract costs**

	Group	
	30-Jun-21 \$'000	31-Dec-20 \$'000
<b>Capitalised incremental costs of obtaining contract – commission costs paid to property agents</b>		
Balance at beginning of period	5,557	-
Additions	399	5,635
Amortisation	(68)	(78)
Balance at end of period	5,888	5,557

**15. Development properties**

	Group	
	30-Jun-21 \$'000	31-Dec-20 \$'000
Development costs	71,308	77,074
	71,308	77,074

Assets pledged as security

The freehold land under development has been pledged as security for a bank loan (Note 16).

Capitalisation of borrowing costs

The interest on bank borrowings and loans from external shareholders capitalised in the current financial year amounted to \$Nil (2020: \$980,000). The rates used in 2020 to determine the amount of borrowing costs eligible for capitalisation ranged from 1.3% to 2.7% per annum. Interest ceases to be capitalised when the development properties are ready for their intended sale.

Details of the Group's development properties are as follows:

Description and location	Tenure	Site area (square metres)		Stage of development/ expected completion date	Proportion of ownership interest	
		30-Jun-21	31-12-20		30-Jun-21	31-Dec-20
					%	%
Proposed development of a 20-storey mixed development (The LINQ @ Beauty World) located at 118 Upper Bukit Timah Road	Freehold	4,251	4,251	Construction stage and expected to obtain TOP in FY2025	62	62

**BBR Holdings (S) Ltd and its subsidiaries**  
Condensed Interim Financial Statements

**Notes to the condensed interim consolidated financial statements**

**16. Loans and borrowings**

	Group		Company	
	30-Jun-21 \$'000	31-Dec-20 \$'000	30-Jun-21 \$'000	31-Dec-20 \$'000
Amount repayable within one year or on demand:				
Secured	3,192	4,330	462	462
Unsecured	-	-	-	-
	<u>3,192</u>	<u>4,330</u>	<u>462</u>	<u>462</u>
Amount repayable after one year:				
Secured	110,250	120,489	8,068	8,307
Unsecured	30,704	27,626	-	-
	<u>140,954</u>	<u>148,115</u>	<u>8,068</u>	<u>8,307</u>

The secured borrowings repayable within one year and after one year comprise mainly obligations under banker's acceptances, invoice financing and property loans. The borrowings are secured by charges over certain property, plant and equipment, development property and corporate guarantee provided by the Company.

The unsecured borrowings relate to loans from non-controlling interests obtained for property development purpose.

**Notes to the condensed interim consolidated financial statements**

**17. Fair value of financial instruments**

(a) ***Fair value hierarchy***

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) ***Assets and liabilities measured at fair value***

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	<b>30-Jun-21</b>			<b>Total</b>
	<b>\$'000</b>			
<b>Group</b>	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
<b>Assets measured at fair value</b>				
<b>Financial assets:</b>				
<u>Investment securities at fair value</u>				
<u>through profit or loss</u>				
<i>Quoted equity securities</i>	8	-	-	-
	8	-	-	-
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
<u>Derivatives</u>				
<i>Interest rate swap</i>	-	(681)	-	(681)

**Notes to the condensed interim consolidated financial statements**

**17. Fair values of financial instruments (cont'd)**

(b) **Assets and liabilities measured at fair value (cont'd)**

	<b>31-Dec-20</b>			Total
	<b>\$'000</b>			
<b>Group</b>	Fair value measurements at the end of the reporting period using			
<b>Assets measured at fair value</b>	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
<b>Financial assets:</b>				
<u>Investment securities at fair value</u>				
<u>through profit or loss</u>				
<i>Quoted equity securities</i>	8	–	–	8
	8	–	–	8
<b>Liabilities measured at fair value</b>				
<b>Financial liabilities:</b>				
<u>Derivatives</u>				
<i>Interest rate swap</i>	–	(1,431)	–	(1,431)

(c) **Level 2 fair value measurements**

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

*Derivatives*

Interest rate swap contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation techniques include swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, interest rate curves and forward rate curves.

**Notes to the condensed interim consolidated financial statements**

**17. Fair values of financial instruments (cont'd)**

(d) ***Level 3 fair value measurements***

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value \$'000	Valuation techniques	Unobservable inputs
<b>30 June 2021 and 31 December 2010</b>			
<b>Recurring fair value measurements</b>			
<u>At fair value through profit or loss</u>			
Unquoted equity securities	–	Income approach	Dividend yield: Nil %

(e) ***Assets and liabilities not measured at fair value, for which fair value is disclosed***

Non-current trade payables (Note 5)

The carrying amounts of these financial liabilities are reasonable approximation of fair values estimated by discounting expected future cash flows, at the market rate of interest as at 30 June 2021 and 31 December 2020.

Current trade and other receivables and payables (Notes 5 and 12), other liabilities, cash and bank balances and amounts due from/(to) subsidiaries

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

Non-current loans to a joint venture and loans and borrowings (Note 16)

The carrying amount of these financial instruments are reasonable approximation of their fair values as they are floating rate instruments that re-priced to market interest rates on or near the end of the reporting period.

**Notes to the condensed interim consolidated financial statements**

**18. Share capital**

	<b>Group and Company</b>			
	<b>30-Jun-21</b>		<b>31-Dec-20</b>	
	<b>No. of shares</b>	<b>\$'000</b>	<b>No. of shares</b>	<b>\$'000</b>
<b>Issued and fully paid ordinary shares :</b>				
At beginning and end of period	324,710,410	49,082	324,710,410	49,082

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

There were no changes in the Company share capital since the end of the previous financial year.

The total number of issued shares excluding treasury shares as at 30 June 2021 was 322,388,218 (30 June 2020: 322,388,218). The total number of treasury shares held as at 30 June 2021 was 2,322,200 (30 June 2020: 2,322,200).

There were no outstanding convertibles issued by the Company and no subsidiary holdings as at 30 June 2021 and 30 June 2020.

**19. Treasury shares**

	<b>Group and Company</b>			
	<b>30-Jun-21</b>		<b>31-Dec-20</b>	
	<b>No. of shares</b>	<b>\$'000</b>	<b>No. of shares</b>	<b>\$'000</b>
At beginning and end of period	(2,322,200)	(566)	(2,322,200)	(566)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

The Company did not acquire any treasury shares during the six months ended 30 June 2021 under the Share Buyback Mandate which was approved by the shareholders.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the six months ended 30 June 2021 and 30 June 2020.

**BBR Holdings (S) Ltd and its subsidiaries**

Announcement of Half-Year Results for the Financial Period Ended 30 June 2021

Other Information Required by Listing Rule Appendix 7.2



**BBR Holdings (S) Ltd and its subsidiaries**

Company Registration No. 199304349M

Announcement of Half-Year Results for the Financial Period Ended 30 June 2021

Other Information Required by Listing Rule Appendix 7.2



## **BBR Holdings (S) Ltd and its subsidiaries**

Announcement of Half-Year Results for the Financial Period Ended 30 June 2021

Other Information Required by Listing Rule Appendix 7.2

### **1. Review**

The condensed consolidated statement of financial position of BBR Holdings (S) Ltd and its subsidiaries as at 30 June 2021 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### **2. Review of performance of the Group**

#### Income Statement Review – Six-Month Period Ended 30 June 2021 (“6M2021”) vs Six-Month Period Ended 30 June 2020 (“6M2020”)

The Group recorded revenue of \$78.1 million for 6M2021 that represented an increase of 84.1% from \$42.4 million achieved for 6M2020. The strong growth was largely due to the low base for 6M2020 as revenue was affected by the imposition of Circuit Breaker (“CB”) in Singapore and the Movement Control Order (“MCO”) in Malaysia in response to the Coronavirus Disease 2019 (“Covid-19”) during that period. Increased revenue were recorded for the General Construction, Specialised Engineering and Property Development business segments whilst revenue for the Green Technology business segment had decreased.

The Group’s Property Development business segment launched the sale of the residential units of The LINQ @ Beauty World (“The LINQ”) in November 2020. The LINQ is a 20-storey mixed development along Upper Bukit Timah Road (Please refer to Note 15 of the Notes to the Condensed Interim Financial Statements). 100% of the residential units were sold as at the end of the current reporting period and revenue of \$2.2 million was recognised in 6M2021 on a Percentage of Completion (“POC”) basis.

Gross profit margin was 5.6% for 6M2021 versus 0.3% for 6M2020. The gross profit margin for 6M2020 was affected by the increase in project costs of ongoing construction projects due to work stoppage and delays caused by the imposition of Covid-19’s CB and MCO.

Property Development business segment incurred a gross loss of \$0.2 million for 6M2021. In accordance with the financial reporting standards, certain development costs are recognised as cost of sales progressively on a POC basis in line with revenue recognition, whilst some development costs are recognised as cost of sales immediately when incurred. The accounting treatment of development costs resulted in a timing difference for the recognition of revenue versus certain cost of sales, thus a gross loss was recorded for the current financial period. The Group achieved an overall gross profit of \$4.4 million for 6M2021.

Other operating income increased by \$0.2 million or 24.6% due to a higher income from rental and sale of scrap offset by a reduction in interest income.

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### **2. Review of performance of the Group (cont'd)**

Other expense/income comprised foreign exchange differences and fair value adjustment on derivatives amounting to a gain of \$0.5 million for 6M2021 compared to a loss of \$0.9 million for 6M2020. The fair value adjustment on derivatives arose from the interest rate swaps entered into by the Group to hedge against interest rate movements on a long term loan. The Group does not apply hedge accounting.

Administrative costs decreased by \$1.0 million or 34.7% mainly due to lower depreciation cost for the current financial period as some property, plant and equipment had been fully depreciated. In particular, the lease term of one of the Group's leasehold properties had expired in May 2020 and hence no depreciation was provided for this leasehold property for 6M2021.

Other operating costs decreased by \$1.8 million or 18.7%. The drop was partly attributable to the show flat construction cost of The LINQ in 6M2020 which was non-recurring. In addition, in 6M2020, project related costs including the salaries of project staff and workers, meals, workers' accommodation and machinery rental incurred during the CB period and prior to the restart of project were charged to other operating costs.

Finance costs increased by \$0.3 million or 19% as interest cost incurred for the development of The LINQ from April to July 2020 had been capitalised in development properties whereas interest cost incurred for The LINQ for 6M2021 was expensed off to profit and loss. In accordance with the financial reporting standards, capitalisation of the interest cost of The LINQ commenced in April 2020 after the completion of an exercise involving a land exchange of a land lot within the development site and an alienation of state land lots to the Group. Capitalisation of interest cost ceased in July 2020 when the units were ready for their intended sales.

Share of results of joint ventures amounted to \$0.5 million for 6M2021 and was derived mainly from the operation of Wisteria Mall, an investment property owned by the Group's joint venture.

The Group had a loss attributable to equity holders of the Company of \$4.5 million for 6M2021.

#### Statement of Financial Position and Cash Flow Review

Non-current contract assets increased from \$7.6 million to \$15.1 million as a result of an increase in retention receivables for ongoing projects.

Development properties decreased by \$5.8 million as the capitalised land and land related costs apportioned to the remaining units sold in 6M2021 were reclassified to contract assets and amortised to cost of sales on a POC basis. Current contract assets decreased by \$0.9 million as the increase in contract assets from the sale of development properties was offset against a decrease in contract assets from construction contracts.

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### **2. Review of performance of the Group (cont'd)**

Capitalised contract costs relate to sales commission payable to property agents on the sale of units at The LINQ which is capitalised as incremental cost to obtain contracts, and is amortised to the profit and loss in a systematic manner on a POC basis.

Trade receivables decreased by \$31.3 million mainly due to collection subsequent to last financial year end, and in particular, receipts relating to The LINQ amounted to \$25.8 million. Other receivables also decreased as the grant receivable in respect of the Job Support Scheme was received after the last financial year end.

Contract liabilities increased by \$4.6 million due to increase in billings in excess of revenue recognised on construction contracts.

Current trade and other payables decreased by \$2.6 million due to settlement of balances to suppliers and subcontractors subsequent to the financial year end. Other liabilities decreased by \$7.1 million as the accrued commission payable to property agents for the sale of The LINQ had been settled and deferred grant income recognised in respect of the Job Support Scheme was reversed upon recognition of the grant income.

Non-current borrowings decreased by \$7.2 million. Additional loans of \$5.0 million and \$3.1 million were obtained from a bank and non-controlling interests respectively for the Group's property development project. These were offset by a repayment of \$15.8 million, out of which \$15.0 million was repayment from the property development sales proceeds.

For the six months ended 30 June 2021, the Group generated cash amounting to \$22.7 million from operations. This was mainly due to the collection of trade receivables relating to The LINQ during the current financial period.

Net cash of \$0.4 million was used in investing activities for the current financial period comprising mainly net cash outflow for purchase of property, plant and equipment, partially offset by sales proceeds from disposal of property, plant and equipment and distribution of profits from a joint venture.

Net cash used in financing activities amounted to \$8.9 million. This was mainly due to repayment of \$17.0 million for both short and long term borrowings and lease liabilities, offset by additional loans of \$5.0 million and \$3.1 million obtained from a bank and the non-controlling interests respectively.

The Group's cash holding was \$65.1 million as at 30 June 2020, up by \$11.5 million from \$53.6 million as at the end of the last financial year.

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### **3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

The Group made an announcement of Profit Guidance on 6 August 2021 which states that the Group expects to report a net loss for the six-month period ended 30 June 2021 based on a preliminary review of the unaudited financial results.

### **4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months**

On 14 July 2021, the Ministry of Trade and Industry (“MTI”) announced that the Singapore economy grew by 14.3 per cent on a year-on-year basis in the second quarter of 2021, extending the 1.3 per cent growth in the previous quarter. The strong growth was largely due to the low base in the second quarter of 2020 when GDP fell by 13.3 per cent due to the CB measures implemented from 7 April to 1 June 2020. In absolute terms, GDP in the second quarter of 2021 remain 0.9 per cent below its pre-pandemic level in the second quarter of 2019.

The construction sector expanded by 98.8 per cent on a year-on-year basis in the second quarter of 2021. However, in absolute terms, the growth in this sector remained 31.6 per cent below its pre-pandemic level.

We expect the construction industry to remain challenging on the back of a competitive environment, supply chain issues, labour shortage and higher cost of construction materials. The surges in the number of Covid-19 cases in Malaysia and Thailand are expected to weigh down on the construction activities in these regions. The Group will continue to stay vigilant on managing its project costs and operating expenses. It will remain focus on its core businesses by leveraging on its track record in building construction and specialised engineering to secure more projects, both locally and in the region.

As at 30 June 2021, the Group has an order book of approximately \$246 million in respect of construction projects, predominantly in Singapore and Malaysia.

Reference:

Ministry of Trade and Industry Singapore Press Release “Singapore’s GDP Grew by 14.3 Per Cent in the Second Quarter of 2021”, 14 July 2021

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### **5. Dividend information**

- 5a. Current Financial Period Reported on  
Any dividend recommended for the current financial period reported on? No
- 5b. Corresponding Period of the Immediate Preceding Financial Year  
Any dividend declared for the corresponding period of the immediately preceding financial year? No
- 5c. Date Payable  
Not applicable
- 5d. Books Closure Date  
Not applicable
- 5e. If no dividend has been declared/recommended, a statement to that effect.  
In view of the current challenging business environment, no dividend has been declared/recommended for the six months ended 30 June 2021.

### **6. Interested person transactions**

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

### **7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)**

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

By Order of the Board

TAN KHENG HWEE ANDREW  
Group Chief Executive Officer  
13 August 2021

**BBR Holdings (S) Ltd and its subsidiaries**

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**Confirmation by the Board**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the six-month period ended 30 June 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors



TAN KHENG HWEE ANDREW  
Group Chief Executive Officer



CARRIE LUK KA LAI  
Independent Non-Executive Director

Singapore  
13 August 2021