



MEDIA STATEMENT

Soilbuild Construction posts higher revenue for 2QFY2019

- **Increase in revenue due to higher construction activities**
- **EBITDA improved. Net loss for 2QFY2019 due to higher non-cash depreciation charges**
- **Order book stood at S\$396.2 mil as at 30 June 2019**

Singapore, 31 July 2019– Soilbuild Construction Group Ltd. (“The Group” or “Soilbuild”) today reported higher revenue of S\$63.1 million for the second quarter ended 30 June 2019 (“2QFY2019”).

Financial Highlights	2QFY2019 (S\$'000)	2QFY2018 (S\$'000)	Change (%)
Revenue	63,109	44,928	40.5
Gross Profit	3,347	2,535	32.0
EBITDA	2,177	1,838	18.4
Net (Loss)/Profit	(938)	525	NM
Gross Profit Margin	5.3%	5.6%	(0.3)

Financial Review

The Group recorded a higher revenue during 2QFY2019 in tandem with the increase in construction activities of its current projects. These projects include 68 Residence Project and Rosehill Residence Project in Yangon, Myanmar, Bedok Food City Project and two new projects secured and reported in last quarter – Tuas Bay Close Project and Tuas Bay Drive Project in Singapore. The Group’s gross profit margin for 2QFY2019 was slightly lower at 5.3%.

The Group reported a net loss for 2QFY2019 attributable to an increase in depreciation charge on property, plant and equipment as well as an increase in interest expenses on bank borrowing.

“During the period under review, the tender environment in the local construction market remain competitive and challenging. However, for the Group’s prefabrication and precast business, the Group has successfully completed the maiden delivery of certain precast products to its customers during the period. We expect to ramp up the production, both in the Group’s ICPH and the plant in Malaysia, in the second half of 2019 for the secured orders. We are pleased to note that more enquiries and invitations for quotation for the supply and delivery of precast products have been received from potential customers. We will continue to focus on tendering for new construction projects and at the same time, execute its strategies to secure more precast supply and delivery contracts

The Group’s overall order book stood at S\$396.2 million (comprise S\$379.2 million for construction projects, and S\$17.0 million for precast supply and delivery contracts) as at 30 June 2019.”

Mr Lim Chap Huat
Executive Chairman of Soilbuild Construction Group

Outlook

Based on advance estimates released by the Ministry of Trade and Industry Singapore on 12 July 2019, the Singapore economy grew by 0.1% on a year-on-year (“yoy”) basis in the second quarter of 2019, slower than the 1.1% growth in the previous quarter. The construction sector grew by 2.2% (on a yoy basis), extending the 2.7% expansion in the previous quarter. The growth of the sector was supported by an increase in public sector construction activities.

The End

About Soilbuild Construction Group Ltd.:

Soilbuild Construction is a leading builder with a long and successful track record of constructing a sterling award-winning portfolio of residential and business space properties. Since its inception in 1976, Soilbuild charts 43 years of success in offering a full spectrum of real estate services which includes Design and Build, Construction, Turnkey Construction, Project Management Consultancy, Procurement and Mechanical & Electrical Installation. Soil-Build (Pte.) Ltd. and SB Procurement Pte. Ltd., both are subsidiaries of the Group, are A1-graded under CW01 (General Building) by the Singapore’s Building and Construction Authority (“BCA”) and have acted as the main contractors for projects which have won architectural and environmental awards over the years. Soil-Build (Pte.) Ltd. is also A2-graded under CW02 (Civil Engineering) by the BCA.

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