



(Company Registration No.: 201301440Z)
(Incorporated in the Republic of Singapore)

UPDATE ON IMPACT OF COVID-19 PANDEMIC ON THE GROUP'S ACTIVITIES

The Board of Directors of Soilbuild Construction Group Limited (the “**Company**” or “**Soilbuild Construction**”, and together with its subsidiaries, the “**Group**”) wishes to update shareholders on the impact of the Covid-19 pandemic on the Group’s business activities in Singapore, Malaysia and Myanmar.

Singapore activities

Since the commencement of the Singapore Covid-19 Circuit Breaker period (“**CB**”) on 7 April 2020, the Group has suspended all its construction and precast activities in Singapore. Only certain essential services, such as vector control and safety related maintenance, were allowed to be carried out at the construction sites and factories. Despite the lifting of the CB since 2 June 2020, the pace of resumption of construction activities remained slow due to the stringent testing and regulatory clearances imposed on the built environment sector. As of the date of this announcement, the Group has been granted approval by the relevant authorities to resume its activities at certain construction sites in Singapore, while following stringent safety management policies. The Group will continue to implement additional safety measures and policies that it could resume all its activities in Singapore.

Malaysia activities

The Malaysian government imposed the Movement Control Order (“**MCO**”) from 18 March 2020 to 9 June 2020. During the MCO, the Group’s factories in Johor were required to suspend all business activities. Following the transition into the Conditional MCO from 4 May 2020, the Group had commenced preparatory documentations for implementing and practicing standard operating procedures (SOPs) at its plants. This included all staff and workers being tested for Covid-19. The respective plants progressively re-started operations from 1 June 2020. As of the date of this announcement, the Group has re-started the production of precast building components at the respective plants. Fulfilling the SOPs together with the completion of the needed Covid-19 tests for all its workers will take the plant some months before going back to pre-Covid-19 production efficiency and capacity. Nevertheless, we will work closely together with our customers to manage their delivery schedules.

Myanmar activities

Since the outbreak of Covid-19, the Myanmar government has progressively issued a variety of measures to prevent the spread of the virus in the country. These measures included stay-at-home order imposed countrywide, temporary closure of construction sites and factories, restriction on gatherings, measures to prevent importation of Covid-19 to the country through air travel. While some of these measures had been lifted gradually since 15 May 2020 and some have been extended up to the end of June 2020. With all necessary permits, the Group has resumed all its business activities on 15 May 2020.

Overall, the suspension of business activities and extension in construction periods of the Group's projects is expected to have an adverse impact on the Group's financial performance. The risks and uncertainties in relation to the pandemic remain as the countries in which we operate progressively resume economic and business activities.

The Group will provide more details on its financial performance when the unaudited financial statements for the half year ending 30 June 2020 are completed and available.

In the meantime, the Board wishes to advise shareholders and investors to exercise caution when dealing in the shares of the Company.

BY ORDER OF THE BOARD
SOILBUILD CONSTRUCTION GROUP LTD.
Lim Chap Huat
Executive Chairman
23 June 2020