



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

MEDIA STATEMENT

Soilbuild Construction grows order books by 59% in 2HFY2022, overcomes Covid-19 setbacks

- **Order book stood at S\$461.5 million as at 31 December 2022 as compared to S\$291.1 million as at 30 June 2022**
- **Secured new construction contracts worth S\$199.2 million and new precast supply and delivery contracts worth S\$74.2 million during 2HFY2022**
- **Strengthens core management team with greater focus on improving project delivery**

Singapore, 28 February 2023 – Soilbuild Construction Group Ltd. (“**Soilbuild Construction**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), a leading construction group, is pleased to announce that that it has grown its order book by 59% to S\$461.5 million despite registering a net loss of S\$28.0 million during the second half year ended 31 December 2022 (“2HFY2022”), as it substantially completed projects secured prior to the Covid-19 pandemic. The Group reported a net loss of S\$31.7 million for the financial year ended 31 December 2022 (“FY2022”).

The construction industry has been facing challenges caused by the pandemic and geopolitical tensions, which drove up construction material and labour costs and prolonged procurement lead times. The Group is not insulated from these challenges and has had to navigate the challenging environment to deliver and complete projects that were secured before the onset of the pandemic.

Despite experiencing losses on these projects during FY2022, the Group has been actively adapting its strategy to reflect changing market conditions brought on by the pandemic, adjusting its project costing and estimation, and bidding processes to secure new projects.

The Group has secured 5 new construction contracts, valued at S\$199.2 million, and 7 new precast supply and delivery contracts, valued at S\$74.2 million during 2HFY2022. The secured construction contracts include high tech industrial 4.0 manufacturing facilities with cleanroom capabilities for the electronics and semiconductor industry, a Housing and Development Board residential project, and a private residential project.

The precast contracts relate to supply and delivery of precast components including prefabricated prefinished volumetric construction components, prefabricated bathroom units, large panel slabs, hollow core slabs, and single and double T slabs for the construction of public housing developments, Mass Rapid Transit lines, an international school and a hospital in Singapore.

Building on its momentum, the Group is also actively tendering for more high value, high tech facilities for clients in the semiconductor, precision engineering, food tech and logistics industries to secure new contract wins in 2023.

“Our team has worked tirelessly to secure these new contracts, and we are thrilled to have been awarded them,” said Mr Lim Han Ren, Executive Director, “We faced significant challenges due to the pandemic, which impacted our business and resulted in losses. However, we continue to honour our commitment to the clients and deliver on the contracts secured prior to the Covid-19 pandemic. We are proud to have successfully completed several projects in the face of adversity, and our focus on quality and customer service has not wavered. With the substantial completion of projects secured prior to the Covid-19 pandemic, the Group is at the tail end of our pre Covid-19 chapter and ready to emerge stronger.”

Mr Lim added, "We are mindful that the securing of new orders only marks the beginning of the turnaround. We will have to continually improve the way we plan and execute projects, evaluate and strengthen our procurement processes, more tightly manage projects as well as more effectively improve communication across project stakeholders. We are working towards this transformation by investing in staff training and upgrading and embracing technology to ensure we continue to grow our order book and stay ahead of the competition."

Concurrently, the recently announced promotion of Mr Lim as Executive Director, and Mr Ong Eng Hwa as CEO, Construction Business, signals the Group's leadership succession plan in continued progress. This reflects the Group's commitment to onboarding, developing and nurturing talent from within as it sharpens its focus on project delivery and ensures that we have a strong leadership team in place to drive sustainable growth.

Based on advance estimates by the Ministry of Trade and Industry Singapore in its press release on 3 January 2023, the Singapore economy grew by 2.2 per cent on a year-on-year basis in the fourth quarter of 2022, moderating from the 4.2 percent growth in the previous quarter. The construction sector grew by 10.4 per cent year-on-year in the fourth quarter, accelerating from the 7.8 per cent growth in the previous quarter, as both public and private sector construction output continued to recover.

By embracing technology and prioritizing employee development, the Group will continue to strengthen its ability and position itself well to capitalise on opportunities in the construction industry and drive growth.

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 over 40 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.

Precast Concrete Pte Ltd, a subsidiary of the Group, is a licensed manufacturer of prefabricated and precast building components with automated manufacturing facilities in Singapore and manufacturing plants in Malaysia.

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