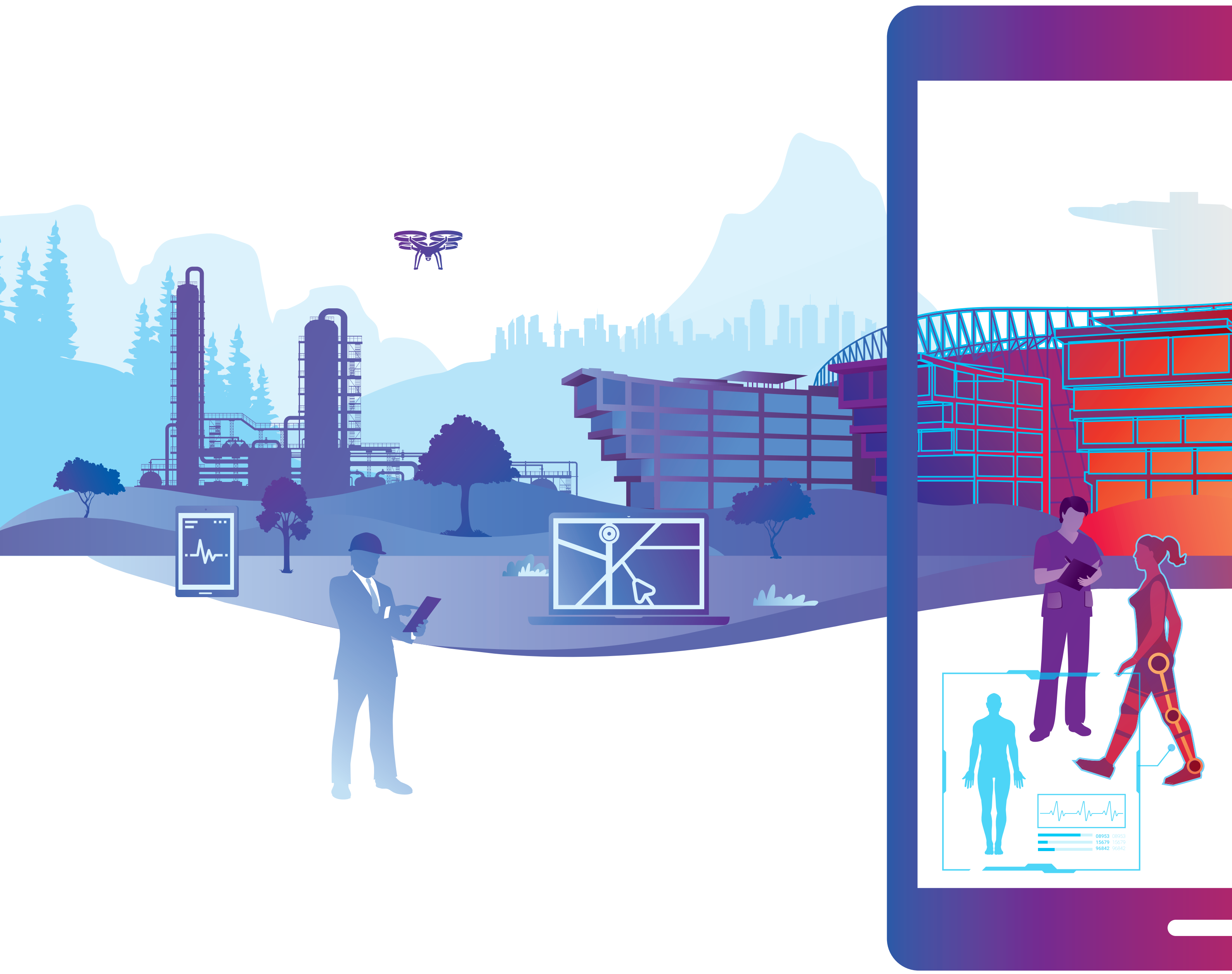

TRANSCENDING GENERATIONS

Boustead Singapore Limited
Annual Report 2019

TRANSCENDING GENERATIONS

This year, Boustead's heartiest congratulations go out to our home nation, Singapore on the celebration of its historic Bicentennial, 200 years after Sir Stamford Raffles and Major General William Farquhar first stepped onto our shores in 1819. Only nine short years later in 1828, our company's founder, Mr Edward Boustead chose to establish Boustead in Singapore, thanks to Sir Raffles and General Farquhar's early initiatives to turn Singapore's strategic location into the gateway between China, India and South East Asia. Also advocated were Singapore's three freedoms as laid out by Sir Raffles – freedoms of immigration, port and trade – which contributed to Singapore's rapid progress in its early days, for few places in the world could offer such freedoms at that time. To this day, supported by modernised versions of the freedoms over multiple generations, our economy, port and trade have continued to flourish as key parts of multi-generational success, supported by the enterprise and industry of Singaporeans.

Boustead also celebrates 191 years of progress and multi-generational success, extending an unrivalled milestone in Singapore's corporate history as we maintain our longstanding position as Singapore's oldest continuous business – a practical and symbolic reflection of longevity. We are in the business of building businesses that can transcend generations and provide a positive impact on future generations, just as they have benefitted multiple generations over the past two centuries.

CORPORATE PROFILE

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering and Technology Group listed on the SGX Mainboard.

Focusing on the niche engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions, centred on energy infrastructure and smart eco-sustainable business park and industrial developments.

In addition, we provide technology-driven transformative solutions to improve quality of life for all walks of life. Geospatial Technology provides professional services and exclusively distributes Esri's ArcGIS technology – the world's leading geographic information system and location analytics platform – to major markets across Australia and parts of South East Asia. The software creates digital infrastructure solutions that enable smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning and management of key infrastructure and resources. Healthcare Technology provides niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, we are ready to serve the world. To date, we have undertaken infrastructure-related projects in 87 countries and territories globally.

In 2008 and 2009, we were recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific's 200 best public-listed corporations under US$1 billion in revenue. In 2015, we were also the winner of the Singapore Golden Jubilee Business Award, in recognition of the best 50 Singapore corporations who have achieved and contributed to Singapore's progress and success over the past half-century since independence. In 2017, we were ranked by FinanceAsia as Singapore's Best Small-Cap in the annual Asia's Best Companies Poll. We are also listed on the MSCI World Micro Cap Index, FTSE Global Small Cap Index, FTSE Developed Small Cap Index and FTSE ST Small Cap Index.

Visit us at **www.boustead.sg**.

Between the Covers
This year, as Singapore celebrates its historic Bicentennial, Boustead Singapore Limited continues our journey to build businesses that transcend generations, while Boustead Projects Limited continues their journey to transform industry.

Visit us or download the Annual Report at **www.boustead.sg**.

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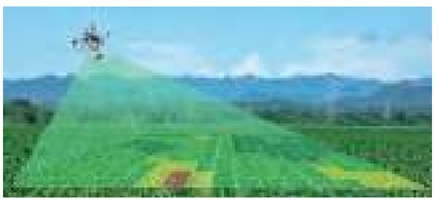
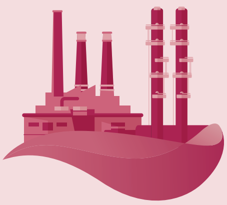


WE ARE TRANSITIONING THE CHANGING ENERGY LANDSCAPE, FROM EMISSIONS TO NEUTRALITY.

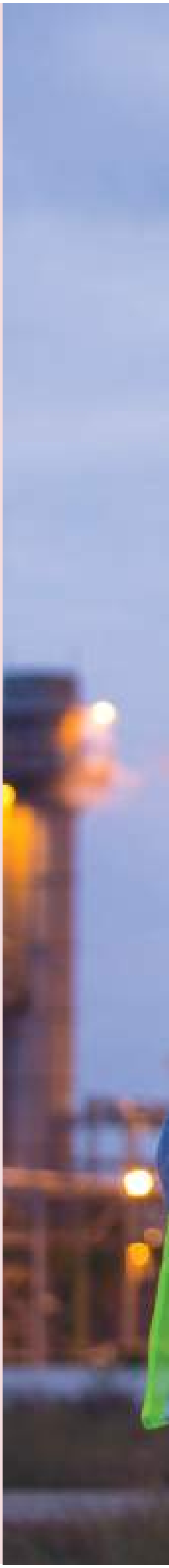


ENERGY-RELATED ENGINEERING

Our Energy-Related Engineering Division provides key process technologies to the global oil & gas, petrochemical and energy industries, which are important drivers of economic development, human wellbeing and progress. Yet, we recognise that the world's energy – dominated by fossil fuels – significantly contributes to climate change and environmental pollution.

Our process technologies are increasingly supporting the world's ongoing energy transition. Process heater systems used in gas processing and hydrogen production are part of a multi-decade transition to relatively cleaner fuels and renewables. Waste heat recovery units recycle exhaust and flue gases generated in extremely high temperature processes so that these gases are reused instead of being directly released into the environment or flared off. Water and wastewater treatment plants produce high quality water, treat wastewater for safe release or zero liquid discharge, and reclaim and recycle wastewater to be reused, saving an extremely precious resource.

Read more on pages 28 to 31.



DIVISION REVENUE
S$102.5 million

DIVISION CONTRACTS SECURED
S$89 million

DIVISION PROFIT BEFORE INCOME TAX
S$1.1 million

DIVISION TEAM MEMBERS
256

WE ARE BREAKING NEW GROUND, TRANSFORMING INDUSTRY WITH SMART ECO-SUSTAINABLE REAL ESTATE SOLUTIONS.

REAL ESTATE SOLUTIONS

Our Real Estate Solutions Division under Boustead Projects Limited provides core engineering expertise in the design-and-build and development of smart eco-sustainable business park and industrial developments. For over two decades, we have shaped and transformed Singapore's industrial real estate landscape, from delivering custom-built future-ready developments to pioneering eco-sustainable developments.

At the forefront of our efforts, our market-leading capabilities – built on the adoption of transformative technologies aligned with our progressive philosophy – are complemented by value-added services and green building credentials and supported by robust quality, environmental, health and safety management systems. We have successfully demonstrated that smart eco-sustainable developments can be future-ready, yet present-day realities – designed to meet Industry 4.0 transformation standards while simultaneously minimising emissions and resource wastage.

Artist's impression of Razer Southeast Asia Headquarters, one-north, Singapore

Read more on pages 32 to 37.

DIVISION REVENUE

S$234.2 million

DIVISION CONTRACTS SECURED

S$633 million

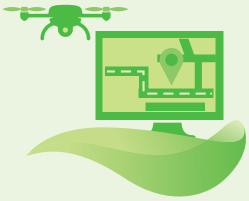
DIVISION PROFIT BEFORE INCOME TAX

S$35.7 million

DIVISION TEAM MEMBERS

210

WE ARE SMART MAPPING ECOSYSTEMS, VISUALISING BIG DATA ACROSS RELATIONSHIPS, SPACE AND TIME.

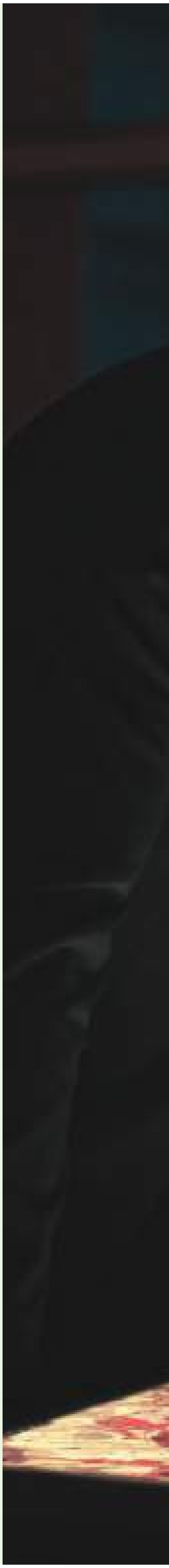


GEOSPATIAL TECHNOLOGY

Our Geospatial Technology Division provides professional services and exclusively distributes Esri's ArcGIS technology – the world's leading geographic information system ("GIS") and location analytics platform – to major markets across Australia and parts of South East Asia. The software creates digital infrastructure solutions that enable smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning and management of key infrastructure and resources.

By enabling effective visualisation, our smart mapping capabilities help clients to gain invaluable insights on interconnectedness and interdependence of ecosystems across all types of relationships, space and time. In a world suffering severe underutilisation and wastage of limited resources, our clients now have the right tools to effectively manage economic, environmental, social and governance initiatives that work towards the ideals of the United Nations' 17 Sustainable Development Goals.

Read more on pages 38 to 47.



DIVISION REVENUE

S$122.1 million

DIVISION TEAM MEMBERS

383

DIVISION PROFIT BEFORE INCOME TAX

S$27.2 million

WE ARE REDEFINING MEDICAL OUTCOMES, IMPROVING THE QUALITY OF LIFE FOR ALL WALKS OF LIFE.

HEALTHCARE TECHNOLOGY

Our Healthcare Technology Division provides niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific.

Our solutions help address the pain points of healthcare institutions by promoting faster recovery and higher productivity, both aimed at reducing resource shortages faced by national healthcare systems and the healthcare industry at large, and improving the qualify of life for all walks of life.

Read more on pages 48 to 51.

DIVISION REVENUE

S$11.4 million

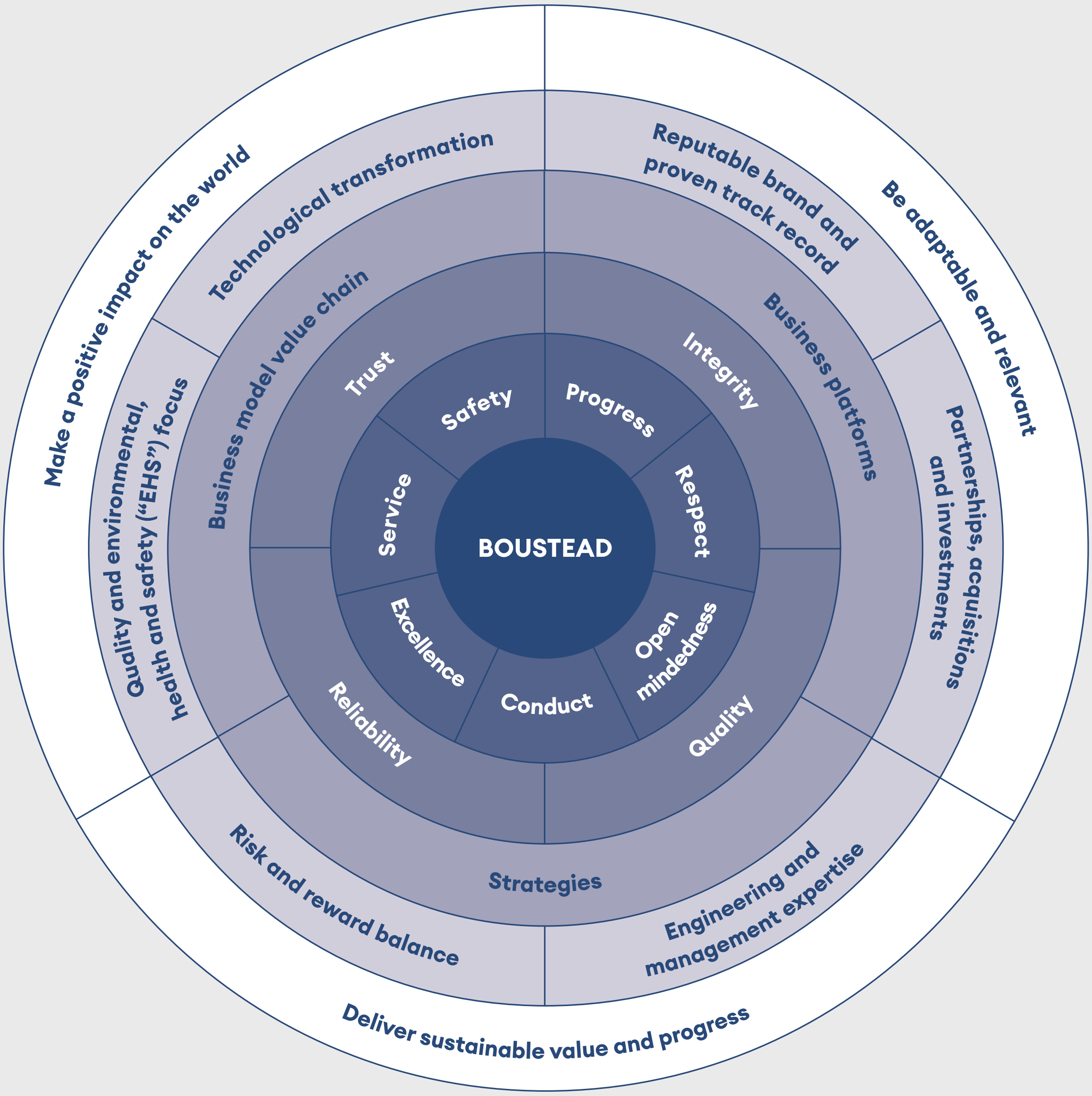
DIVISION TEAM MEMBERS

90

DIVISION PROFIT BEFORE INCOME TAX

S$0.6 million

MISSION, VISION & BUSINESS MODEL



Mission

To utilise our vast experience and expertise accumulated since 1828 to provide progressive smart eco-sustainable solutions to communities around the world.

Vision

To be the premier global service provider of niche smart eco-sustainable infrastructure-related engineering services and technology solutions.

Over Boustead's prestigious and rich heritage of 191 years, we have been delivering sustainable value and progress to key global stakeholders. We owe our success to our experienced and versatile teams who possess in-depth domain expertise and tremendous international experience, and generally undertake the high value-added activities across the engineering and technology value chains.

As a knowledge-based, information-driven corporation, we employ a business model with inbuilt exportability and flexibility, which has enabled us to adapt our operations to diverse situations and widespread geographic markets covering 87 countries and territories globally.

At the very core of Boustead is our mission and vision, fortified by our fundamental principles and strong human-centric corporate values: progress, respect, open mindedness, conduct, excellence, service and safety (PROCESS). Over time, we established our reputation for integrity, quality, reliability and trust, which together with our corporate values and business drivers, help us to achieve our long-term objectives to be adaptable and relevant, deliver sustainable value and progress to key stakeholders, and make a positive impact economically, environmentally and socially on the world. We are a responsible global corporate citizen with a greater purpose in mind.

Corporate Values

Striving for progress

We want to be distinguished for:

- Our industry leadership, client-focus and strong suite of smart eco-sustainable, services and solutions;
- Our professionalism, financial performance, proven business and management model, and successful growth strategies; and
- Our contribution to economic, environmental and social progress in global communities.

Respecting our team and stakeholders

We believe in creating a work environment that promotes creativity, excitement and growth, and makes our team feel cared for, challenged, empowered and respected because they are our best asset – they are Boustead. Creating the ideal environment for them to thrive in will eventually translate to delivering sustainable value and progress to key stakeholders.

Keeping an open mind

We endeavour to push the boundaries of paradigms, research and technologies to help our clients improve business performance and sustainability.

Adhering to the highest standards of honourable conduct

We believe in acting honourably in the way that we conduct business. We are committed to building a climate of fairness, honesty, trust and sincerity with all key stakeholders.

Upholding excellence

We aim to deliver excellence in everything we do.

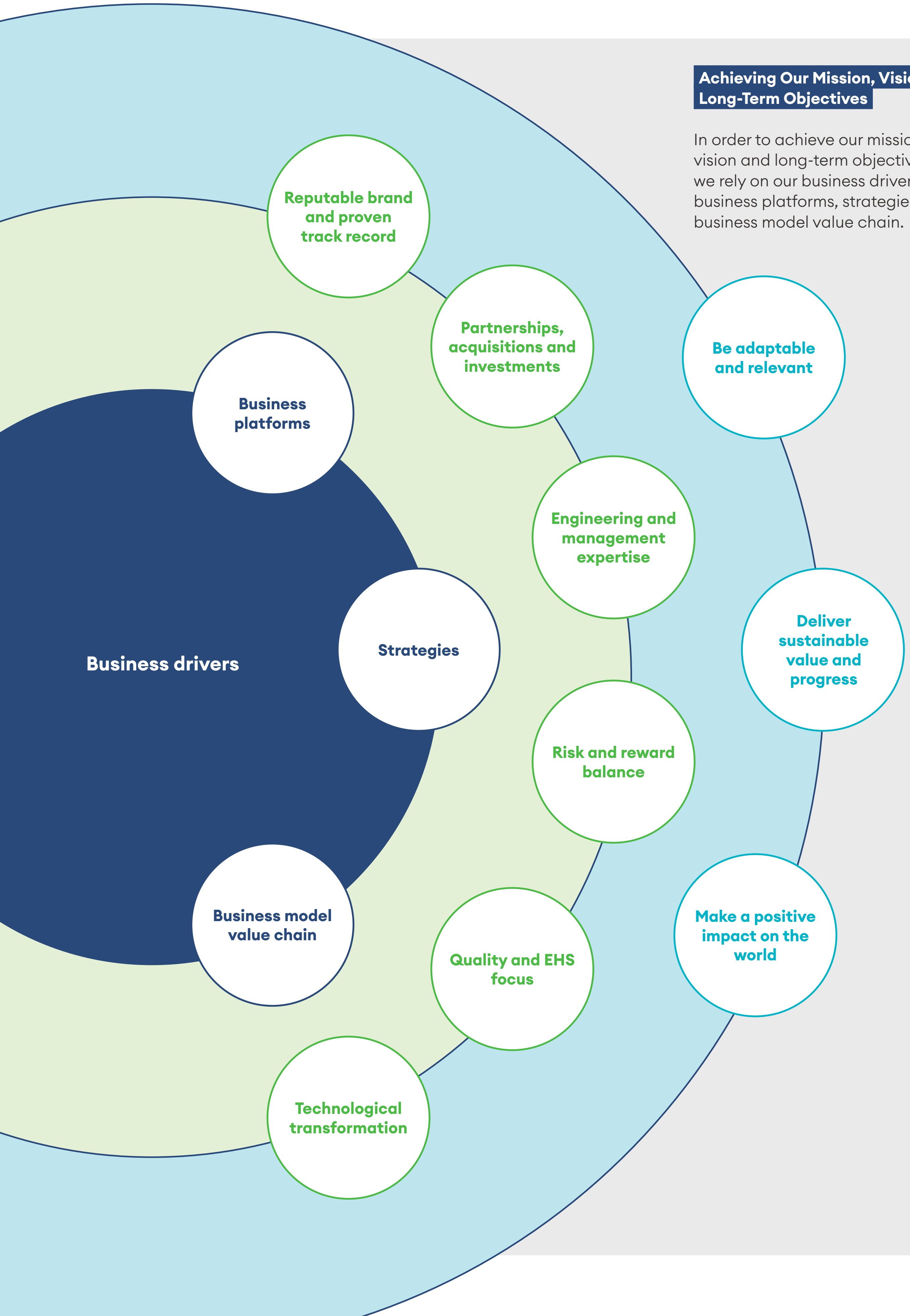
Servicing our clients

We aim to gain an in-depth understanding of our clients' needs so that we are able to deliver progressive answers to them in the fast-paced global business environment.

Prioritising safety

We believe in making safety an inherent part of our products, services, solutions and the environment we operate in.

MISSION, VISION & BUSINESS MODEL



Achieving Our Mission, Vision & Long-Term Objectives

In order to achieve our mission, vision and long-term objectives, we rely on our business drivers: business platforms, strategies and business model value chain.

Business Platforms

Positioning and presence

- Successful spotting and positioning on global megatrends
- Global view with local market knowledge
- Focus on development in high growth markets
- Broad coverage of industries
- Infrastructure-related projects in 87 countries and territories
- More than 13,000 clients globally including world's best corporations

Performance

- Extensive track record
- Delivery of world-class projects
- Solutions in energy, water, real estate, geospatial technology and healthcare
- Commitments to quality and EHS performance

People

- World-class teams
- Empowering culture
- Fair and non-discriminatory employment practices
- Ability to attract, develop, motivate and retain talent
- Industry technical experts

Strategies

Reputable brand and proven track record

With a strong brand heritage, we have established reputable positions in a broad range of industries, bringing together in-depth domain expertise and proven technologies in over 1,300 projects in 87 countries and territories.

Risk and reward balance

We are vigilant in ensuring that our strategies to enhance stakeholder value are well-supported by sound risk management.

Partnerships, acquisitions and investments

Our continuous search for strategic partnerships, catalytic acquisitions and investments is aimed at accelerating our business expansion, enhancing capabilities, broadening revenue streams and driving sustainable long-term growth.

Quality and EHS focus

We strive to achieve the highest standards in quality and workplace EHS, for the wellbeing and protection of every individual. We are a leader and active participant in the bizSAFE Programme initiated by the Workplace Safety & Health Council.

Engineering and management expertise

Our teams offer in-depth domain expertise and deliver value engineering, helping clients to achieve highly effective and cost competitive solutions that raise efficiency and sustainability while eliminating wastage.

Technological transformation

We aim to incorporate transformative technologies into our products, services and solutions, and be a market leader in the world of Industry 4.0.

Business Model Value Chain

Uphold our excellent reputation for integrity, quality, reliability and trust

Design smart eco-sustainable products, services and solutions

Commit to operational excellence through undertaking design, process, detailed and value engineering, project management, quality and EHS supervision, installation, commissioning and training

Deliver efficiency, performance and value to clients

Generate revenue, profit and cash flow in a sustainable manner

Be adaptable and relevant, deliver sustainable value and progress, and make a positive impact on the world

GLOBAL PRESENCE

PROJECTS UNDERTAKEN IN

87
countries and territories

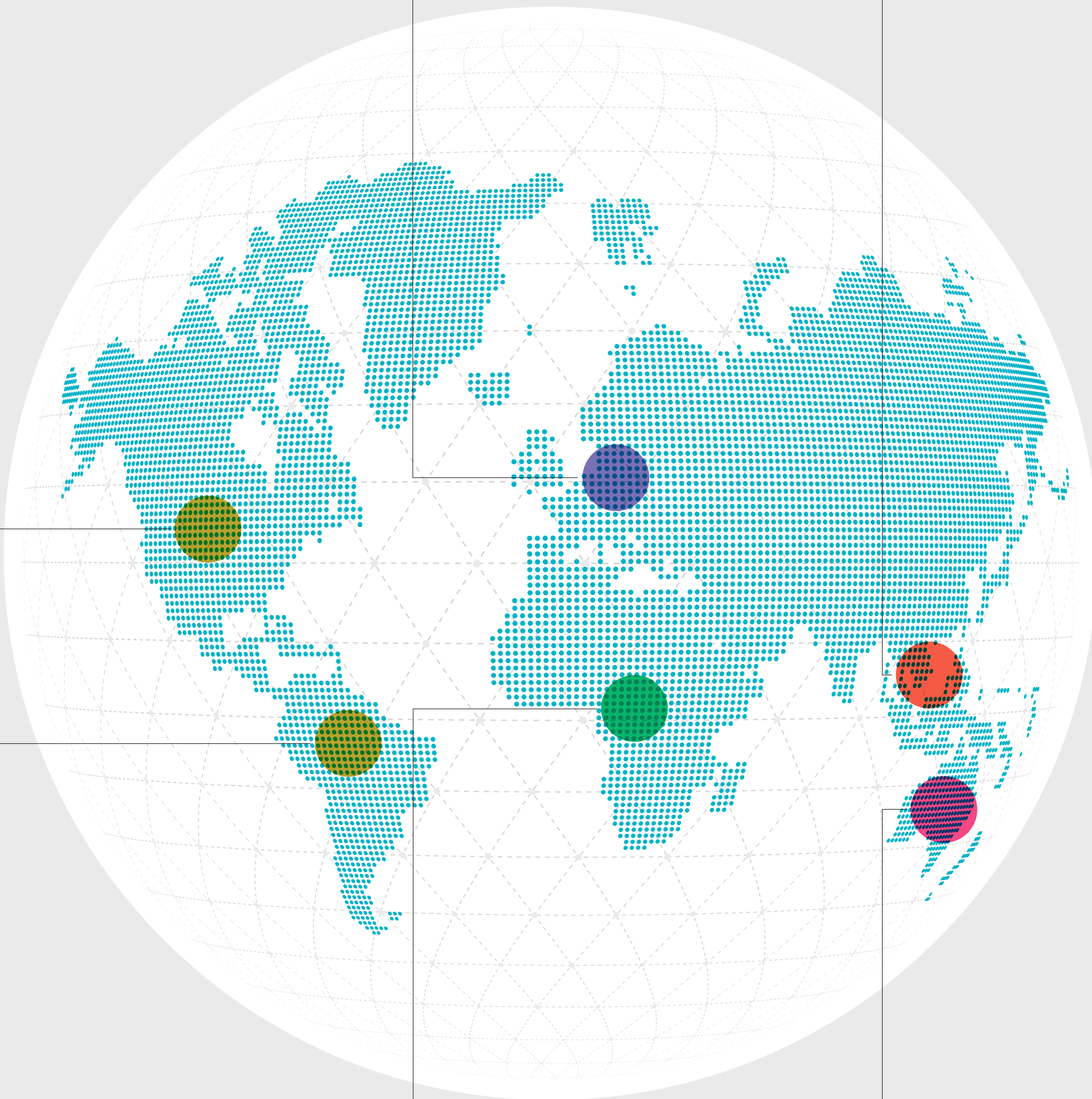
ORDER BOOK BACKLOG OF

S$763 million*

North America
S$35 million
order book

Europe
S$23 million
order book

Asia
S$694 million
order book



South America
S$5 million
order book

Africa
S$3 million
order book

Australia & Oceania
S$3 million
order book

* *Order book backlog at end of FY2019 plus new orders secured since.*

Projects Track Record

- Energy-Related Engineering
- Real Estate Solutions
- Geospatial Technology
- Healthcare Technology

Projects Ongoing in FY2019

- Energy-Related Engineering
- Real Estate Solutions
- Geospatial Technology
- Healthcare Technology

Asia

East Asia & Central Asia

Azerbaijan
China
Hong Kong
Japan
Macau
South Korea
Taiwan
Turkmenistan

South East Asia

Brunei
Indonesia
Malaysia
Myanmar
Philippines
Singapore
Thailand
Timor-Leste
Vietnam

South Asia

Bangladesh
India
Maldives
Pakistan
Sri Lanka

Middle East

Bahrain
Iraq
Jordan
Kuwait
Oman
Qatar
Saudi Arabia
UAE

Africa

Eastern Africa

Mozambique
Tanzania

North Africa

Algeria
Egypt
Libya
Tunisia

Middle Africa

Angola
Equatorial Guinea

Western Africa

Cote d'Ivoire
Gabon
Ghana
Nigeria

Australia & Oceania

Australia
New Caledonia
New Zealand
Papua New Guinea

Europe

Eastern Europe

Hungary
Poland
Russia
Slovakia
Ukraine

Northern Europe

Denmark
England
Finland
Ireland
Isle of Man
Lithuania
Norway
Scotland
Sweden
Wales

Southern Europe

Cyprus
Greece
Italy
Spain
Turkey

Western Europe

Austria
Belgium
Germany
Netherlands
Switzerland

North America & South America

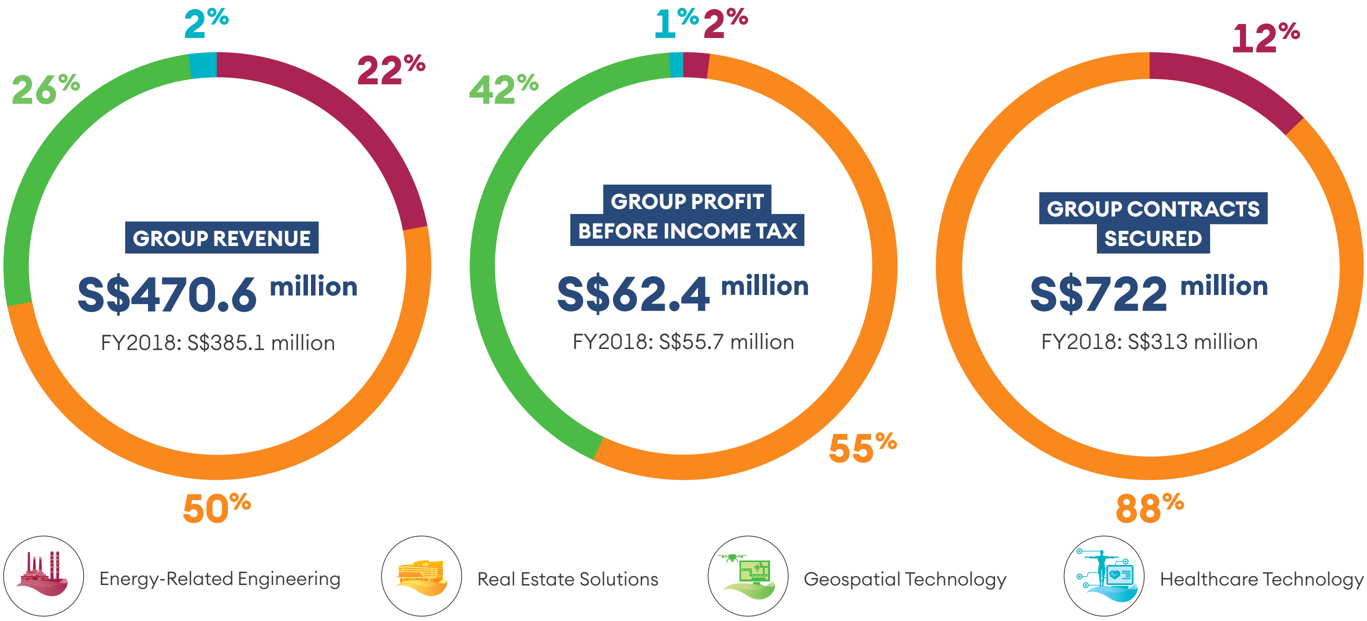
North America

Canada
USA

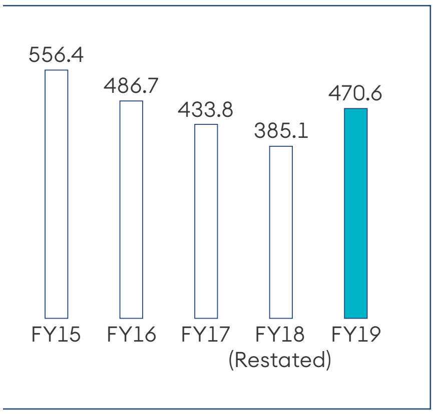
Latin America & Caribbean

Argentina
Bolivia
Brazil
Chile
Dominican Republic
Mexico
Netherlands Antilles
Peru
Venezuela

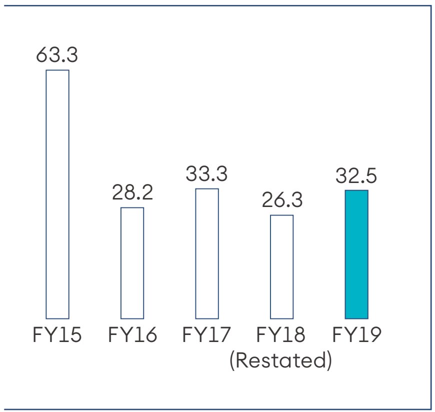
GROUP AT A GLANCE
FINANCIAL PERFORMANCE



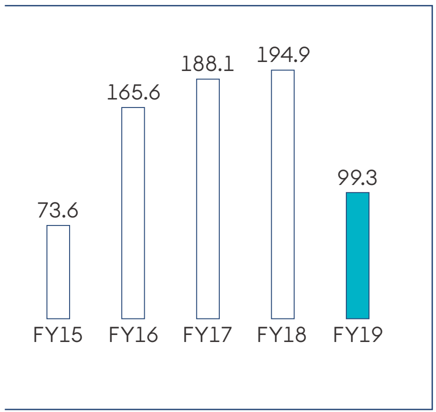
GROUP REVENUE (S$'m)



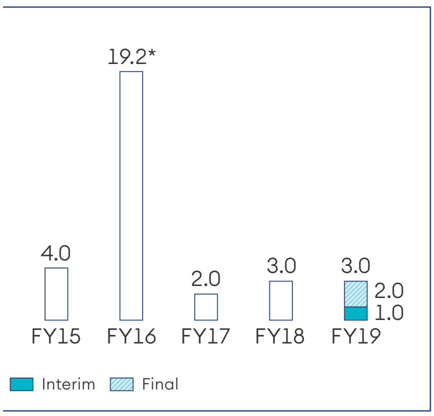
GROUP NET PROFIT (S$'m)



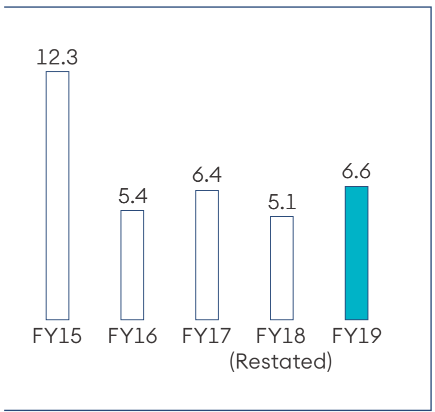
NET CASH POSITION (S$'m)



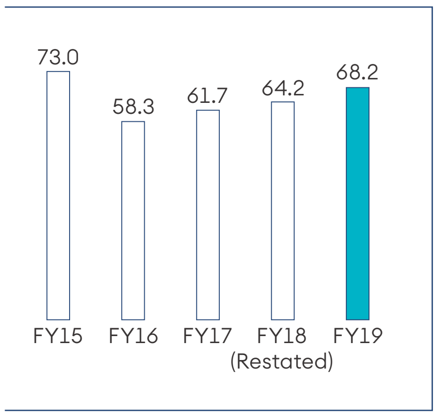
GROSS DIVIDEND PER ORDINARY SHARE (¢)



BASIC EARNINGS PER ORDINARY SHARE (¢)



NET ASSET VALUE PER ORDINARY SHARE (¢)



* *Includes dividend in specie of 16.2 cents.*

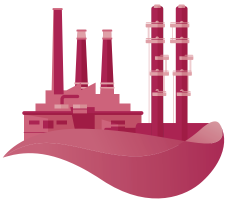
	31 Mar 15 S$'000	31 Mar 16 S$'000	31 Mar 17 S$'000	31 Mar 18 S$'000 (Restated)	31 Mar 19 S$'000
Revenue and Profits					
Revenue	556,405	486,651	433,847	385,106	**470,646**
Gross profit	186,185	150,567	143,551	147,468	**154,381**
Profit before income tax	88,981	56,543	67,686	55,651	**62,357**
Total profit	66,349	41,135	53,486	42,159	**49,579**
Profit for the year attributable to equity holders of the Company	63,282	28,247	33,294	26,322	**32,519**
Cash/Scrip dividends**	(21,782)	(16,263)	(10,583)	(15,080)	**(14,790)**
Distribution of shares *in specie*	-	(84,291)	-	-	**-**
Statement of Financial Position					
Equity attributable to equity holders of the Company	379,996	304,842	321,952	316,377	**336,143**
Non-controlling interests	10,456	104,895	122,706	126,631	**146,207**
Capital Employed	390,452	409,737	444,658	443,008	**482,350**
Trade receivables (non-current)	7,438	-	-	4,619	**11,212**
Other receivables and prepayments (non-current)	1,241	3,827	6,577	3,127	**5,759**
Contract assets (non-current)	-	-	-	5,274	**2,657**
Investment securities (non-current)	-	-	-	-	**44,544**
Available-for-sale financial assets (non-current)	73,387	61,576	65,903	38,565	**-**
Property, plant and equipment	16,732	14,565	11,699	11,830	**17,221**
Investment properties	159,857	146,182	134,796	128,827	**182,118**
Intangible assets	1,452	1,186	992	737	**2,137**
Investments in associated companies	3,761	200	-	588	**12,875**
Investments in joint ventures	10,728	13,755	32,354	37,148	**40,673**
Net deferred income tax (liabilities)/assets	210	(666)	(236)	(2,159)	**1,114**
Net cash position	73,574	165,620	188,145	194,878	**99,264**
Net current assets/(liabilities) (excluding cash and borrowings)	51,173	13,444	14,247	27,332	**72,899**
Non-current liabilities (excluding deferred income tax liabilities and borrowings)	(9,101)	(9,952)	(9,819)	(7,758)	**(10,123)**
Assets Employed	390,452	409,737	444,658	443,008	**482,350**
Financial Statistics					
Operating profit over turnover (%)	16.0	11.6	15.6	14.5	**13.2**
Return on equity (%) (Note 1)	16.7	9.3	10.3	8.3	**9.7**
Gross dividend per ordinary share (¢)	4.0	19.2	2.0	3.0	****3.0**
Dividend cover (times)	2.9	0.3	3.2	1.7	****2.2**
Basic earnings per ordinary share (¢) (Note 2)	12.3	5.4	6.4	5.1	**6.6**
Net asset value per ordinary share (¢) (Note 3)	73.0	58.3	61.7	64.2	**68.2**

** *Includes proposed final dividend of 2.0 cents per share for FY2019.*

Notes:

1. *Based on profit for the year attributable to equity holders of the Company divided by equity attributable to equity holders of the Company.*
2. *Based on profit for the year attributable to equity holders of the Company divided by weighted average number of ordinary shares in issue during financial year ended 31 March.*
3. *Based on equity attributable to equity holders of the Company divided by number of ordinary shares in issue at end of financial year ended 31 March.*

GROUP AT A GLANCE
MARKET REVIEW



ENERGY-RELATED ENGINEERING

Our Energy-Related Engineering Division provides key process technologies to the global oil & gas ("O&G"), petrochemical and energy industries.

The division has undertaken over 1,300 projects in 86 countries and territories globally.

Read more on pages 28 to 31.

MARKET REVIEW

- The Brent crude oil average closing price of US$71 for 2018 strengthened 30% from US$54 for 2017. However, significant volatility remained with the closing price reaching a high of US$86 and low of US$50 during 2018.
- The global O&G multi-year recession bottomed out, with gradual improvement in global O&G expenditures by clients.
- The global O&G industries adjusted to lower prices, with an increasing number of projects progressing towards final investment decisions.

REAL ESTATE SOLUTIONS

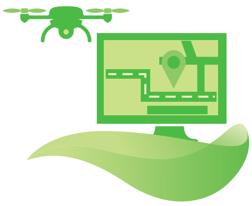
Our Real Estate Solutions Division under Boustead Projects Limited provides core engineering expertise in the design-and-build and development of smart eco-sustainable business park and industrial developments.

The division has undertaken over 190 projects totalling over 3,000,000 square metres of real estate in four countries regionally.

Read more on pages 32 to 37.

MARKET REVIEW

- Singapore's industrial real estate sector remained somewhat subdued, with the cyclical downturn not abating as expected.
- The Singapore Government mapped out Industry Transformation Maps for the construction and real estate sectors, laying out the long-term transformation roadmaps for these sectors.
- Business park and high-tech industrial rents edged up, while logistics rents stayed stable and low-tech industrial rents fell in 2018.



GEOSPATIAL TECHNOLOGY

Our Geospatial Technology Division provides professional services and exclusively distributes Esri's ArcGIS technology – the world's leading geographic information system ("GIS") and location analytics platform – along with related GIS solutions.

The division has over 13,000 clients including key government agencies and multinational corporations in eight countries regionally.

Read more on pages 38 to 47.

MARKET REVIEW

- Global demand continues to be driven by the 'smart government' concept, complementing the smart city approach.
- New revenue opportunities have emerged from Industry 4.0 transformations.
- Seamless integration of GIS and building information modelling technologies saw significant growth in the architecture, engineering and construction sector.

HEALTHCARE TECHNOLOGY

Our Healthcare Technology Division provides niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific.

The division's clients include government and private hospitals, nursing homes and outpatient centres in seven countries and territories regionally.

Read more on pages 48 to 51.

MARKET REVIEW

- Rising ageing populations continue to strain healthcare infrastructure and skilled workforce in the long-term care market.
- The growing prevalence of chronic diseases has led to complexities in rehabilitative care, especially in patients with comorbidities (i.e. the presence of one or more additional related diseases), resulting in significant treatment gaps.

HIGHLIGHTS

- Better revenue and profit from O&G businesses was partially offset by the weaker performance of the water & wastewater engineering business.
- S$89 million in contracts were secured, representing an uplift of 11% year-on-year.

DIVISION REVENUE

S$102.5 million

Year-on-year ↑ 8%

FY2018: S$94.9 million

DIVISION CONTRACTS SECURED

S$89 million

Year-on-year ↑ 11%

FY2018: S$80 million

DIVISION PROFIT/(LOSS) BEFORE INCOME TAX

S$1.1 million

FY2018: (S$4.6 million)

DIVISION TEAM MEMBERS

256

Year-on-year ↑ 2%

FY2018: 250

HIGHLIGHTS

- Higher revenue was supported by design-and-build activities on a healthy order book backlog.
- Contracts secured of S$633 million is a new record, including two projects each worth over S$200 million.
- Four development deals were secured.
- Three new strategic partnerships were formed.
- Transformative technologies were implemented.

DIVISION REVENUE

S$234.2 million

Year-on-year ↑ 38%

FY2018: S$169.6 million*

DIVISION CONTRACTS SECURED

S$633 million

Year-on-year ↑ 172%

FY2018: S$233 million

DIVISION PROFIT BEFORE INCOME TAX

S$35.7 million

Year-on-year ↑ 1%

FY2018: S$35.5 million

DIVISION TEAM MEMBERS

210

Year-on-year ↑ 49%

FY2018: 141

* *Includes change in accounting policy with respect to the elimination of unrealised gains and losses on transactions between Boustead Projects and its associated company and joint ventures.*

HIGHLIGHTS

- A third consecutive year of revenue and profit growth was registered, with a new record revenue.
- There was steady demand in place across markets in Australia and South East Asia.

DIVISION REVENUE

S$122.1 million

Year-on-year ↑ 2%

FY2018: S$119.3 million

DIVISION TEAM MEMBERS

383

Year-on-year ↑ 6%

FY2018: 360

DIVISION PROFIT BEFORE INCOME TAX

S$27.2 million

Year-on-year ↑ 4%

FY2018: S$26.2 million

HIGHLIGHTS

- The new acquisition delivered nine months of maiden revenue and profit contribution.
- Profitability was affected by a slight delay in the award of two major contracts.
- Significant steps have been taken to deepen transformation into a solutions provider with bundled products and services.

DIVISION REVENUE

S$11.4 million

DIVISION TEAM MEMBERS

90

DIVISION PROFIT BEFORE INCOME TAX

S$0.6 million

GROUP AT A GLANCE ECONOMIC & SUSTAINABILITY PERFORMANCE

Economic Value Creation and Distribution in FY2019

Over Boustead's prestigious and rich heritage of almost two centuries, we have performed our role as a responsible global corporate citizen, incubating and growing businesses and trust with multiple generations of global stakeholders, and delivering sustainable value and progress to them. Nearly two centuries' worth of economic value ("EV") has been created and distributed to key stakeholders including clients, communities, employees, lenders, governments, shareholders and suppliers around the world.

Our continuous profitability every year since our current management team took over in FY1997 – except for FY2002 – has enabled us to maintain our generation of sustainable value and progress to key stakeholders, and reinvest in building businesses that transcend generations for long-term success and longevity.

In FY2019, S$483.3 million in direct EV was generated, which was distributed to key stakeholders as shown here.

Suppliers

- Purchases
- Supplier payments
- Other operating expenses
- Indirect jobs for communities where we operate

S$337.3 million

70% of EV

Team

- Salaries
- Defined contribution plans
- Share-based compensation
- Other benefits
- Direct jobs for communities where we operate

S$80.8 million

17% of EV

Lenders and Investors

- Interest paid to lenders
- Dividends paid to shareholders

S$20.0 million

4% of EV

Governments

- Corporate taxes for funding government basic services and sponsored economic and ESG initiatives
- Indirect jobs for communities where we operate

S$16.5 million

3% of EV

Communities

- Community service
- Philanthropic donations

S$0.5 million

<1% of EV

Economic Value Retained

- Reinvestment in core business
- Future acquisitions and investments

S$28.2 million

6% of EV

Transformative Technologies Deployment

According to Boston Consulting Group ("BCG"), Industry 4.0 – the fourth industrial revolution – is a transformation that makes it possible to gather and analyse data across machines, enabling faster, more flexible and more efficient processes to produce higher quality goods at reduced costs. This will increase productivity, shift economics, foster industrial growth and modify the profile of the workforce and ultimately change the competitiveness of corporations and regions. BCG went on to name nine technologies that are transforming industrial production as shown below. We have overlaid our already implemented technologies in seven of these areas.

Nine Technologies of Industry 4.0

Certain infographic elements were designed by Freepik.

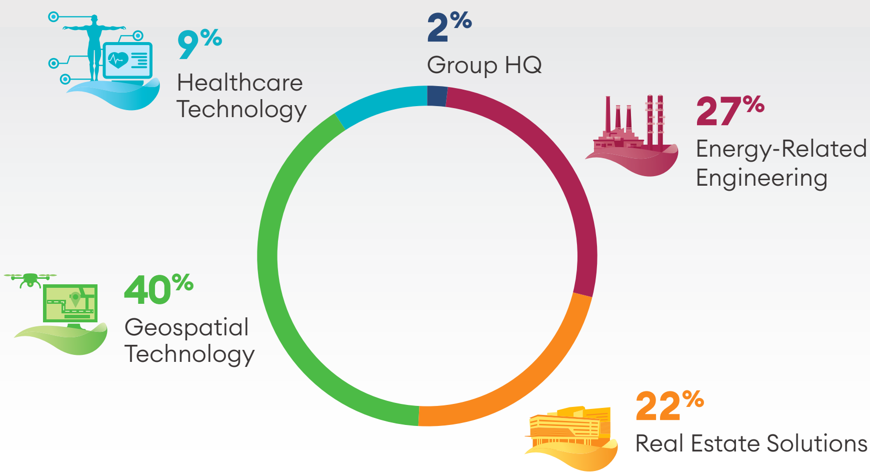
/ Our positions of TRANSFORMATION /

Team Deployment in FY2019

TOTAL TEAM MEMBERS

958

FY2018: 773



GROUP AT A GLANCE ECONOMIC & SUSTAINABILITY PERFORMANCE

Eco-Sustainable Solutions in Action

We have delivered numerous projects and eco-sustainable solutions around the world which continue to provide significant economic, environmental and social benefits to our clients every year and contribute positively to the environment in the communities around them. In FY2019, our clients had total installed capacity of:

Boustead International Heaters

Energy recovery

	Capacity Contracted in FY2019		Capacity Supplied Prior to FY2019
Energy recovery	13 waste heat recovery units (“WHRUs”)	+	153 WHRUs
	1,022.3 gigawatt hours (“GWh”)		33,390.5 GWh

Note: Calculations are based on contractual specifications, with the main conversion calculations based on the UK Government Department for Business, Energy & Industrial Strategy’s published statistics for industrial gas tariffs for 2018. Other supplementary conversion calculations are based on the US Environmental Protection Agency’s green house gas equivalents calculator.

Boustead Salcon Water Solutions

Water treatment or recycling

	Capacity Contracted in FY2019		Capacity Supplied Prior to FY2019
Water treatment or recycling	5 water and wastewater treatment plants	+	135 water and wastewater treatment plants
	41.0 million cubic metres (“cu m”)		587.1 million cu m

Note: Calculations are based on contractual specifications, with conversion calculations based on the Global Water Intelligence’s 2018 Global Water Tariff Survey where the global average water tariff was US$2.04 per cu m. Capacity supplied prior to FY2019 is based on our track record dating back to completed projects after Boustead Salcon Water Solutions was acquired in 2002.

Boustead Projects

	Green Mark Platinum Ratings Attained in FY2019		Green Mark Platinum Ratings Attained Prior to FY2019
	2 buildings under construction		10 buildings
Energy savings	5.1 GWh	+	39.1 GWh
	and		and
Water savings	37,483 cu m		94,202 cu m

Note: Calculations are based on BCA Green Mark Programme assessments at the time when the Green Mark Platinum was awarded to a specific building, with the main conversion calculations based on the Energy Market Authority’s and PUB’s published statistics for electricity tariffs and industrial water tariffs respectively for 2018. Other supplementary conversion calculations are based on the US Environmental Protection Agency’s green house gas equivalents calculator.

Estimated Annual Recovery

166 WHRUs recovering

over 34,413 GWh of thermal energy

=

Heating used by over 3.6 million homes in the UK

or taking over 5.1 million cars off the road

or CO_2 stored by over 28.9 billion trees

or £828 million

Estimated Annual Treatment or Recycling

140 water and wastewater treatment plants treating or recycling

over 628 million cu m of water

=

Water used to fill over 251,000 Olympic size swimming pools

or US$1.3 billion

Green Mark Platinum Buildings' Estimated Annual Savings

12 buildings

Saving over 44 GWh of electricity

and

Saving over 131,000 cu m of water

=

Electricity used by 9,800 homes in Singapore

or taking over 6,600 cars off the road

or CO_2 stored by over 37.1 million trees

or S$9.1 million

and

Water used to fill 52 Olympic size swimming pools

or S$0.2 million

CHAIRMAN'S MESSAGE

Wong Fong Fui
Chairman & Group Chief Executive Officer

Dear Fellow Shareholders,

It gives me great pleasure to present to you the Boustead FY2019 Annual Report for the financial year ended 31 March 2019.

Over the past year, there was a slight improvement in the business outlook of the sectors that we operate in, supporting our achievement of revenue and profit growth. Revenue was 22% higher year-on-year at S$470.6 million, while profit attributable to you – fellow owners of our Company – was 24% higher year-on-year at S$32.5 million, partially assisted by sizeable other gains (compared to sizeable other losses in the previous year). Even if we adjusted net profit for other gains and losses net of non-controlling interests (excluding the sale of a property that was conducted in the ordinary course of business), net profit would have been comparable year-on-year, a steady result in what is still a highly challenging global landscape.

FY2019 – Temporary Respite from the Storm

The global oil & gas ("O&G") recession that engulfed the four years from FY2015 to FY2018 seemed to abate in FY2019, marked by the trade war's short truce and providing a moment of temporary respite to some players to restructure and postpone death at the hands of angry creditors.

Given our relatively better position as compared to peers, our Energy-Related Engineering Division returned to profitability, while our Real Estate Solutions and Geospatial Technology Divisions embraced market-leading positions to improve performance. All four divisions achieved broad-based profitability including our new Healthcare Technology Division.

Driven by our O&G businesses' better performance, our Energy-Related Engineering Division delivered division revenue growth of 8% year-on-year to S$102.5 million and division profit before income tax ("PBT") of S$1.1 million, reversing the previous year's loss. However, an S$1.3 million impairment of receivables and weak performance at our water & wastewater engineering business did some injustice to what would otherwise have been a decent performance. Our division's announced order book backlog of S$103 million is adequate to support continued improvement in FY2020.

Our Real Estate Solutions Division under Boustead Projects topped revenue contributors for the 12th successive year. Singapore's industrial real estate sector remains in a challenging state. However, we continued with our successful transformation, implementing market-leading technologies to enable division revenue growth of 38% year-on-year to S$234.2 million and division PBT of S$35.7 million, a minor improvement over the previous year. Design-and-build margins were impacted by a lower

"FRONTING OUR COVER, 'TRANSCENDING GENERATIONS' APTLY CAPTURES THE SUCCESSFUL TRANSFORMATION OF BOTH SINGAPORE AS A NATION AND BOUSTEAD AS A CORPORATION OVER THESE TWO CENTURIES. OUR TWO HERITAGES ARE INTERTWINED, WITH THE COMMON GOALS OF ENGENDERING LONGEVITY AND PROGRESS, AND CONSTANTLY SEEKING COMPETITIVE POSITIONING IN A HYPER COMPETITIVE WORLD."

quantum of cost savings unlocked on previously completed projects, while real estate margins suffered due to one property undergoing additions & alterations and the depreciation expenses incurred by the newly completed ALICE@ Mediapolis, which is still under asset stabilisation. Boustead Projects' technological transformation was key to capturing a record S$633 million in new contracts including the S$242 million JTC Multi-Storey Recycling Facility and over S$200 million Surbana Jurong Campus, along with four development deals and three new strategic partnerships. A strong foundation has been laid for FY2020 and FY2021 to buffer against the sector's challenging state.

Clocking in a third successive year of revenue and profit growth, our Geospatial Technology Division achieved a new division revenue record of S$122.1 million, with division PBT rising 4% year-on-year to S$27.2 million. Facing off against strong currency headwinds and two national elections in Australia and Indonesia, our four largest exclusive markets attained broad-based revenue growth and locked in steady demand for technology underlying smart city implementations across the region.

Our new Healthcare Technology Division contributed nine months of maiden division revenue of S$11.4 million and division PBT of S$0.6 million. The lower than expected performance was due to two large contracts being delayed to FY2020. The past year aside, we remain excited about our division's long-term prospects in meeting the currently unmet needs of ageing populations across the Asia Pacific.

Upholding our dividend tradition, your Board has proposed a final ordinary dividend of 2 cents per share payable in cash/scrip for your approval. Together with the interim dividend of 1 cent already paid, the total dividend of 3 cents equates to a dividend payout ratio of 45% and matches FY2018. Separately, Boustead Projects has proposed a final ordinary dividend of 1.5 cents and special dividend of 0.5 cent per Boustead Projects' share, an uplift of 33% over FY2018.

Transcending Generations

This year, our heartiest congratulations go out to our home nation, Singapore on the celebration of its historic Bicentennial, 200 years after Sir Stamford Raffles and Major General William Farquhar first stepped onto our shores in 1819. Only nine short years later in 1828, our company's founder, Mr Edward Boustead chose to establish Boustead in Singapore, thanks to Sir Raffles and General Farquhar's early initiatives to turn Singapore's strategic location into the gateway between China, India and South East Asia.

Fronting our cover, 'Transcending Generations' aptly captures the successful transformation of both Singapore as a nation and Boustead as a corporation over these two centuries. Our two heritages are intertwined, with the common goals of engendering longevity and progress, and constantly seeking competitive positioning in a hyper competitive world. Passing through the passages of change and time together, both nation and corporation have lived through major upheavals – World War I, the Great Depression, World War II, Malaysia's and then Singapore's independence, the Asian Financial Crisis, Dotcom Bubble and Global Financial Crisis. Longevity and progress have been achieved, although these should never be taken for granted.

These days, too often we hear of barriers, divides, tariffs and walls. Whether physical, psychological or social in construct, they all similarly impede progress. We are being battered by strong geoeconomics and geopolitical headwinds led by the ongoing trade war and multiple threats to globalisation and the global economy. Perhaps, it is timely to remember how the Smoot-Hawley Tariff Bill enacted in 1930 by the US served

CHAIRMAN'S MESSAGE

to exacerbate the Great Depression, while the Berlin Wall (part of the Iron Curtain) constructed in 1961 literally and figuratively divided Europe for three decades.

Complement this with the valuable lessons of history served up by the Bicentennial. Sir Raffles wrote in 1819 that "our object is not territory but trade; a great commercial emporium and a fulcrum whence we may extend our influence politically as circumstances may hereafter require," and that his aim was to develop "the utmost possible freedom of trade and equal rights to all, with protection of property and person." This was carried out dutifully by Singapore's first Resident and Commandant, General Farquhar who was instrumental in promoting Singapore's three freedoms as laid out by Sir Raffles – freedoms of immigration, port and trade – and which contributed to Singapore's rapid progress in its early days, for few places in the world could offer such freedoms at that time.

In 1830, Singapore's freedoms and competitive position came under serious threat when governance was turned over to the Supreme Government of the East India Company of Bengal. In 1837, Mr Boustead made a plea to fight any attempt by the Supreme Government to restrict freedoms and impose port duties on Singapore. Mr Boustead gathered together with prominent business leaders to become founders of the Singapore International Chamber of Commerce, whose role it was to fight for Singapore's commercial interests and uphold the freedoms. To this day, supported by modernised versions of the freedoms over multiple generations, our economy, port and trade have continued to flourish as key parts of multi-generational success, supported by the enterprise and industry of Singaporeans. With neither natural resources and hinterland to fall back on, Singapore has had to embrace the world as our oyster.

Connected to this, I highlighted in our inaugural Longevity Report how longevity is a combination of key ingredients that has allowed us to thrive in a totally interconnected and interdependent ecosystem of physical, social and symbolic relationships that stretch over time. Our leadership and teams are not only experts in their own respective industries but also have a keen understanding of cultural norms, history, the interconnectedness and interdependence of ecosystems across relationships, space and time, and the megatrends that are present before us and will drive our future. As we sense and adapt to shifts in the global landscape, our embrace of change derives progress which ultimately determines our fate as a responsible global corporate citizen. We are in the business of building businesses that can transcend generations and provide a positive impact on future generations, just as they have benifitted multiple generations over the past two centuries.

In FY2020, we will be actively working on capital deployment for various proposed strategic growth programmes, all of which will help us contribute to achieving most – if not all – of the United Nations' 17 Sustainable Development Goals and underpin our long-term performance.

Our focus will be on areas that promote greater effectiveness and progress in big data, Internet of Things, smart nations, smart cities, smart communities and solve the pain points of society including improving the quality of life for all walks of life. We will continue to invest in transformative technologies across:

- Boustead Projects' smart eco-sustainable business park and industrial real estate solutions that support Singapore's Super Low Energy framework (such as for Surbana Jurong Campus) to satisfying the world's insatiable appetite for data (our partnership with DSCO);
- Our Geospatial Technology Division's smart mapping capabilities underpinning everything from big data location analytics to smart cities and most importantly, helping clients to gain invaluable insights on interconnectedness and interdependence of ecosystems across all types of relationships, space and time, given that the human brain processes visual information 60,000 times faster than alphanumeric data; and
- Our Healthcare Technology Division's aim to address age-related chronic diseases and mobility issues, helping ageing populations to age gracefully and when afflicted by chronic diseases, be able to get up and walk again.

Staying true to our mission, vision, steadfast corporate values and the focus on pursuing business with a greater purpose, will help us to ensure long-term progress for stakeholders by knocking down barriers, opening our minds to new ideas and promoting longevity to transcend generations. The only walls we intend to build up are the walls of business park and industrial developments where progressive ideas, products and solutions take shape to be shared and traded with the world.

A Word of Appreciation

I would like to express my deepest gratitude to our Boustead Men and Women – our management and staff – around the world for their contributions to building businesses that transcend generations. I would like to extend my appreciation to all of our major stakeholders – clients, business partners, associates, bankers, suppliers and shareholders – for your continuous support. Last but not least, I would also like to thank my fellow Board colleagues for their invaluable advice.

Thank you for supporting us and joining us on this journey of longevity, progress and building businesses to transcend generations. I look forward to seeing you at our upcoming Annual General Meeting.

Wong Fong Fui
Chairman &
Group Chief Executive Officer

Which divisions have the greatest growth potential going forward?

A

Two of our divisions – Geospatial Technology and Healthcare Technology – are poised to ride on progressive megatrends.

The first megatrend is a transition from the Information Age – based on computing power, the Internet and an information-based economy – into the bright 'Age of Deep Insight'. This new age, ushered in by big data, Industry 4.0, the Internet of Things and smart cities, is a time when digitalisation presents invaluable insights from big data that positively transforms the way that things are done.

Our Geospatial Technology Division will be a primary beneficiary of the 'Age of Deep Insight', providing a key underlying technology platform, services and solutions to map out deep insights, with visualisation of the world in 4D at its core. To effectively tap on this growth, our division continues to educate the market on the benefits of geospatial technology. Significant costs, effort and time will have to be expended to create awareness, experience and courses for students from primary school to university. Ultimately, a skilled information analytics workforce has to be developed for our clients in the private and public sectors, equipping them with the right technological tools to solve our world's greatest challenges.

The second megatrend is the demographics shift of the highly productive Baby Boomers into a more affluent but ageing group, resulting in huge strains on national healthcare systems and an urgent need to redefine the care given to this rapidly expanding group.

Our Healthcare Technology Division will be a primary beneficiary of the demographics shift. Ageing populations bring a greater prevalence of chronic diseases and associated comorbidities. Our niche innovative medical solutions are meant to address currently underserved or unmet needs in a highly complex area of long-term healthcare. To effectively tap on this growth, we need to strengthen our division's core team and scale more products, services and solutions through our widespread network, pushing for a more dominant position in this space.

Potential acquisitions and capital investments are likely to be focused in these areas in the coming years, with the aim of further entrenching our positions in these key growth markets. Our Geospatial Technology and Healthcare Technology Divisions are poised to improve the quality of life for all walks of life.

Is the global trade war having an impact on business?

A

At the moment, we have not felt the direct impact of the global trade war. A major reason for this is that we have only a minor presence in China, with most of our ongoing operations and projects in Singapore, Australia, Europe, the Middle East, North America and South East Asia. Our presence in China – mostly under our Healthcare Technology Division – is catered to distribution within the local market and not to export. Some impact could be felt if medical technologies from the US are embargoed or placed under tariffs upon entering China, before distribution to the local market. Our division is looking at manufacturing simpler medical technologies in China to address this.

Elsewhere, the ongoing global trade war may actually benefit our divisions indirectly, if multinational corporations located in China decide to start operations elsewhere as part of a geoeconomics and geopolitical risk diversification strategy. Such moves may result in increased foreign direct investments in other countries where we are present, leading to potential contracts for two divisions – Energy-Related Engineering and Real Estate Solutions.

Barring an all-out global trade war which results in a deep global recession and significant cuts in private and public sector spending, we are well positioned at this time and face limited impact from the ongoing global trade war.

ENERGY-RELATED ENGINEERING

Our Energy-Related Engineering Division's key subsidiaries – Boustead International Heaters, Boustead Controls & Electrics and Boustead Salcon Water Solutions – provide key process technologies to the global oil & gas ("O&G"), petrochemical and energy industries.

Market Sectors

O&G, PETROCHEMICALS AND POWER

- Crude oil production and refining
- Gas-to-liquids production
- Hydrogen power generation
- Liquefied natural gas ("LNG") production
- Natural gas production and refining
- Oil sands upgrading
- Once through steam generation
- Power generation
- Waste heat recovery

Geographic Markets

86 COUNTRIES AND TERRITORIES

- Africa
- Asia Pacific
- Australia & Oceania
- Europe
- Middle East
- North America
- South America

Performance Highlights

DIVISION REVENUE

S$102.5 million

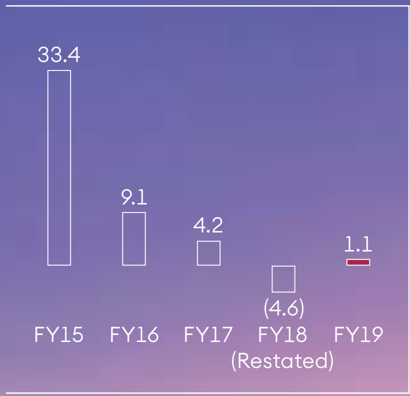
Year-on-year ↑ **8%**

- *Gradual improvement in global O&G expenditures by clients*

DIVISION PROFIT BEFORE INCOME TAX

S$1.1 million

Year-on-year **N.M.**



- *Impairment of trade receivables and weaker performance by water & wastewater engineering business*

DIVISION CONTRACTS SECURED

S$89 million

Year-on-year ↑ **11%**

- *Bottoming out of global O&G multi-year recession*

ENERGY-RELATED ENGINEERING

Aligned with the gradual improvement in the business outlook for the global O&G industries, our Energy-Related Engineering Division's revenue climbed 8% year-on-year to S$102.5 million. Better revenue and operating profit from our division's O&G businesses was partially offset by the weaker performance of the water & wastewater engineering business. On a positive note, our division secured S$89 million in contracts, representing an uplift of 11% year-on-year.

With the global O&G industries adjusting to an environment of lower crude oil prices and an increasing number of projects progressing towards final investment decisions ("FIDs"), we remain cautiously optimistic on the prospects for our division.

Boustead International Heaters

Boustead International Heaters ("BIH") is a leading global specialist in designing, engineering and supplying direct-fired process heater systems, waste heat recovery units ("WHRUs") and associated equipment for the global O&G, petrochemical and energy industries.

In FY2019, many major O&G corporations continued to defer FIDs on greenfield developments, instead leaning towards smaller, more cost-effective capital expenditures with shorter payback periods for refurbishment and upgrading projects. Against this market environment, BIH continued to diversify activities from traditional greenfield developments – typically managed by engineering, procurement and construction ("EPC") corporations – to brownfield projects directly procured by end-user clients in the form of revamping, upgrading or repurposing equipment to add capacity to existing sites. The relatively smaller scope and size of brownfield projects tends to fall outside the usual scope of EPC corporations, allowing BIH to directly engage with and provide innovative solutions that address the aftermarket needs of end-user clients.

During the year, BIH progressed on schedule with 20 projects across five continents. In terms of product revenue mix, process heater systems contributed nearly two-thirds of total revenue, with the remainder largely contributed by WHRUs.
The vast majority of projects were for oil refineries, gas processing plants and petrochemical plants.

Geographically, North America, Europe, the Asia Pacific and Middle East accounted for about 90% of revenue and new contracts secured in FY2019. North America remains a key market where BIH progressed on the design and supply of its largest process heater system project in the US for a new isobutane dehydrogenation plant being constructed by a US EPC client and also captured a second contract from this same EPC client for a separate project during FY2019. This new contract has allowed BIH to successfully penetrate the midstream market and work towards delivering two process heater systems for a new end-user client that is expected to pave the way to future projects.

Europe also returned as an important market for BIH in FY2019, after having a relatively quiet previous year. Breaking new ground, BIH secured several projects involving larger-scope brownfield work in Europe including a handful of new end-user clients.
In Sweden, BIH secured its largest contract of FY2019 for modifications and upgrading to a process heater system at an existing refinery.
In Belgium, BIH secured a contract to deliver a process heater system for one of the world's largest chemical corporations.

In the Asia Pacific and Middle East, BIH progressed on projects for a number of repeat EPC clients, delivering five WHRUs, as well as a waste heat boiler upgrade for one of the world's largest single-train crude oil refineries. BIH also secured two new contracts from Australia, which has been a relatively dry market since 2012.

Going forward in FY2020, BIH expects the increase in global enquiries for LNG projects to continue driving the market for WHRUs and the low price of feedstock to draw increased investments in petrochemical plants, particularly in North America.
With the goal of remaining relevant to the world's changing energy needs, BIH will continue future-proofing its business through deeper engagements with end-user clients, diversifying into other potential applications for its solutions and exploring alternative routes to market.

Boustead Controls & Electrics

Boustead Controls & Electrics ("BC&E") is a well-recognised leader in designing, engineering and supplying emergency shutdown and process control systems for the upstream O&G industries.

FY2019 was a year of consolidation for BC&E, with revenue affected by challenging market conditions and increasingly stringent local content requirements. However, this was countered with improved profitability due to better project management and supply chain management.
Despite the challenges, BC&E managed to double the total value of new contracts secured compared to the previous year. Wellhead control panels ("WHCPs"), hydraulic power units ("HPUs") and emergency safety shutdown ("ESD") systems continued to dominate BC&E's business.

Geographically, BC&E's traditional key markets in the Middle East and India continued to take centre stage, making up the majority of revenue and new contracts secured. In Qatar, BC&E secured a major project with repeat EPC client, McDermott to deliver WHCPs and HPUs for Qatar Petroleum. BC&E also achieved a breakthrough with its first contract in Bahrain. Elsewhere, shortly after achieving prequalification with a repeat end-user client, Abu Dhabi National Oil Company ("Adnoc") in the UAE, BC&E went on to capture several contracts for WHCPs and chemical injection skids ("CIS") to be delivered to various Adnoc subsidiaries.

In India, BC&E built on its market-leading position and successfully achieved prequalification as an approved vendor of CIS to repeat end-user client, Oil & Natural Gas Corporation ("ONGC"), adding to its existing portfolio of other approved products with ONGC. BC&E made progress on several projects for ONGC, delivering WHCPs, ESD systems and fire & gas detection systems that will deployed on a number of ONGC's revamped offshore production platforms.

Stringent local content requirements – particularly in Saudi Arabia – are increasingly being enforced across the Middle East. BC&E has made progress to address this, having successfully set up its joint venture operations in Abu Dhabi and progressed on its joint venture in Saudi Arabia by successfully obtaining the requisite manufacturing and services licence.

In FY2020, BC&E will continue to focus on opportunities in key regions, further enhancing and expanding its local operations in the Middle East including the full fitout of manufacturing operations in Saudi Arabia, and diversifying and proactively marketing its product offerings.

Hot oil heaters integrated onto offshore platform enroute to destination, Norway

Boustead Salcon Water Solutions

Boustead Salcon Water Solutions ("BSWS") is a leading global water and wastewater engineering specialist and Singapore's largest in the energy sector.

During FY2019, BSWS progressed on over 15 industrial water and wastewater treatment projects across seven countries and territories in Africa, the Asia Pacific and Middle East. South East Asia remained the most important market, contributing more than 50% of revenue and all new contracts secured.

Projects in Indonesia and Malaysia dominated BSWS' revenue conversion, with a total of nine ongoing projects, of which six are in the power industry. In its largest project, BSWS delivered seawater desalination, demineralisation and wastewater treatment plants for Indonesia's first ultra supercritical power plant located in Central Java. Also in Central Java, BSWS progressed with the delivery of a high pressure condensate polishing plant and installation of a wastewater treatment plant at Tanjung Jati B Power Plant Phases 5 and 6, adjacent to its previously completed seawater desalination, demineralisation and wastewater treatment plants for Phases 3 and 4. In West Java, BSWS won a contract from a repeat client for a condensate polishing plant and an ammonia removal treatment plant for the Cirebon Power Plant Expansion, once again strengthening its experience in the power industry.

In Malaysia, BSWS advanced on two projects for power plants and two projects within the O&G industry for end-user client, Petronas. Elsewhere in South East Asia, BSWS reached the commissioning stage for a coal and ash wastewater treatment plant for the Duyen Hai 3 Expansion Power Station in Vietnam.

Moving further abroad, BSWS moved ahead on ongoing projects in Africa and the Middle East. BSWS expanded its product offerings with the delivery of a produced water treatment plant at Mozambique's first offshore O&G development, the Coral South Development. A new contract was also captured in Nigeria from repeat end-user client, Indorama for the Port Harcourt Train 2, a repeat of the previously completed water filtration and condensate polishing plants for Train 1.

Going forward in FY2020, BSWS will continue to focus its business development efforts in the energy sector, where it has a strong reputation, along with the O&G offshore sector.

REAL ESTATE SOLUTIONS

Our Real Estate Solutions Division is under 53%-owned subsidiary, Boustead Projects Limited ("Boustead Projects") which is separately listed on the SGX Mainboard. Boustead Projects is generally acknowledged as the only integrated smart eco-sustainable industrial real estate solutions provider listed on the SGX Mainboard. Design-and-build and development capabilities are built upon Industry 4.0 transformation standards and an integrated digital delivery approach, complemented by value-added services, green building credentials and supported by robust quality, environmental, health and safety management systems.

Market Sectors

HIGH VALUE-ADDED INDUSTRIES

- Aerospace and automotive
- Business park
- Food
- Healthcare and pharmaceutical
- High-tech manufacturing
- Infocommunications
- Lifestyle
- Logistics
- Oil & gas ("O&G")
- Precision engineering
- Research & development ("R&D")
- Technology
- Waste management

Geographic Markets

4 COUNTRIES

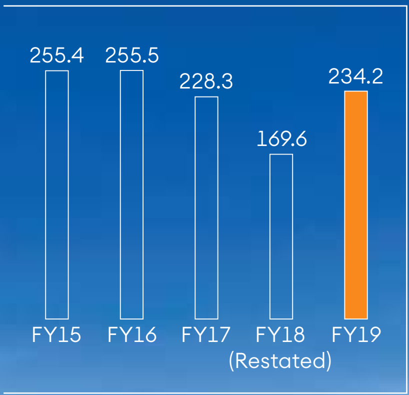
- China
- Malaysia
- Singapore
- Vietnam

Performance Highlights

DIVISION REVENUE

S$234.2 million

Year-on-year ↑ **38%**

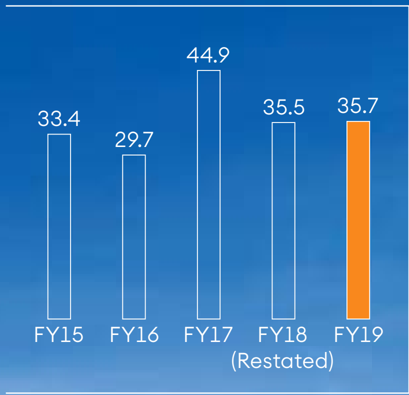


- *Higher revenue conversion on healthy order book backlog at end of FY2018*

DIVISION PROFIT BEFORE INCOME TAX

S$35.7 million

Year-on-year ↑ **1%**

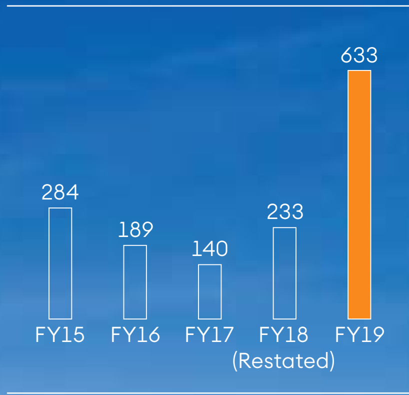


- *Lower quantum of cost savings from previously completed projects, depreciation expenses incurred at ALICE@Mediapolis, investments in new capabilities and team expansions*

DIVISION CONTRACTS SECURED

S$633 million

Year-on-year ↑ **172%**



- *Record level of contracts*

Artist's impression of Surbana Jurong Campus, Jurong Innovation District, Singapore
© Courtesy of Safdie Architects

REAL ESTATE SOLUTIONS

Boustead Projects is a leading real estate solutions provider in Singapore, with core engineering expertise in the design-and-build and development of smart eco-sustainable business park and industrial developments for clients including Forbes Fortune 500, S&P 500 and Euronext 100 corporations. To date, Boustead Projects has constructed and developed more than 3,000,000 square metres of real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects' wholly-owned design-and-build subsidiary, Boustead Projects E&C Pte Ltd ("BP E&C") is approved by Singapore's Building & Construction Authority ("BCA") for Grade CW01-A1 and General Builder Class 1 Licence to execute building construction contracts of unlimited value.

Boustead Projects' transformative technologies – Industry 4.0 transformation standards and full-fledged integrated digital delivery – are shaping custom-built future-ready developments. In Singapore, BP E&C is one of only seven bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company's workplace safety and health ("WSH") management programmes. Boustead Projects' WSH efforts have been further recognised with five prestigious WSH Performance Silver Awards and 11 SHARP Awards to date.

Supported by a healthy order book backlog, Boustead Projects continued to be the Group's top revenue contributor for the 12th consecutive year, growing 38% year-on-year to S$234.2 million on significantly higher design-and-build revenue. However, profit before income tax ("PBT") increased marginally to S$35.7 million, mainly due to a lower quantum of cost savings from previously completed projects, depreciation expenses incurred at ALICE@Mediapolis ("ALICE"), investments in new capabilities and team expansions in preparation for all of the new contracts received during the year.

Design-and-Build Business

In FY2019, design-and-build revenue was 48% higher year-on-year at S$205.1 million, with stronger revenue conversion supported by the healthy order book backlog carried forward at the end of FY2018. Design-and-build PBT was 23% higher year-on-year at S$23.4 million, supported by the stronger revenue conversion, although this was partially offset as mentioned earlier. Boustead Projects also continued to invest substantially in advanced capabilities with Industry 4.0 transformation standards and market-leading methodologies including integrated digital delivery, 7D building information modelling ("BIM"), virtual design and construction, design for manufacturing and assembly, drone technology and virtual reality.

During the year, Boustead Projects completed seven major projects spanning the aerospace, automotive, logistics, O&G, technology and waste management industries.

Boustead Projects' landmark project delivered in FY2019 is ALICE, Singapore's first truly smart business park development, offering 11 floors of multi-tenanted space for the infocommunications and technology industries at one-north, JTC Corporation ("JTC")'s world-class 200-hectare innovation cluster. Developed under the Boustead Development Partnership ("BDP"), ALICE is a showcase of the transformative technologies and methodologies that Boustead Projects has adopted to transform the way that it develops, designs, builds and operates buildings. From 7D BIM to cover the entirety of a building's multi-decade lifecycle and drone surveillance to an integrated front-end smart mobile app for tenants tied directly to back-end building management systems, ALICE presents many firsts in the industry. For its achievements in eco-sustainability, ALICE was awarded the Green Mark Platinum – the highest eco-sustainability rating – and a Safety & Health Award Recognition for Projects (SHARP).

In the logistics sector, Boustead Projects completed three projects for the world's leading third-party logistics providers secured in the previous year. Two of these were design-and-build projects for new advanced logistics facilities for Bolloré Logistics and Yusen Logistics. For Bolloré Logistics, Boustead Projects completed the Blue Hub, a state-of-the-art innovative and green logistics facility that integrates Internet of Things and robotic process automation. Similar to the Green Hub

FY2019 HIGHLIGHTS

Aug 2018

Singapore
BDP secured development contract for Amcor's integrated production and logistics facility; BP E&C is design-and-build partner

Sep 2018

Singapore
Awarded building contract for integrated R&D and office business park development at one-north

Sep 2018

Singapore
Secured land at Braddell Road for new multi-tenanted smart development

Dec 2018

Singapore
Awarded S$242 million building contract for JTC MSRF

Dec 2018

Singapore
BDP secured development contract for Bombardier Aerospace Singapore Service Centre Phase 2 at SAP; BP E&C is design-and-build partner

which Boustead Projects developed for Bolloré Logistics in 2012, the Blue Hub was recently awarded the Green Mark Platinum and also qualified for the BiodiverCity rating, another first for Boustead Projects. Over in Tuas, Boustead Projects delivered Yusen Logistics' major expansion of one of its existing logistics facilities, transforming it into a future-ready logistics facility featuring automated ultra-high-density storage and robotic order-picking technology, capable of improving storage throughput by 18 times and the high volume and high mix order fulfilment rate by 200%.

Adding to Boustead Projects' credentials in the waste management industry, it progressed with the construction of Veolia's hazardous chemical waste treatment facility, laboratory and office building and also completed an industrial waste management complex for a separate client. During FY2019, Veolia's office building was awarded the Green Mark Platinum.

Boustead Projects' business development efforts yielded a record level of contracts worth S$633 million compared to the previous year's S$233 million. These include Boustead Projects' largest contract in history and first Singapore Government GeBIZ contract for the S$242 million JTC Multi-Storey Recycling Facility ("JTC MSRF") and largest private sector contract for the over S$200 million Surbana Jurong Campus ("SJC"), an iconic global headquarters designed by Safdie Surbana Jurong at the upcoming Jurong Innovation District ("JID").

The awards of JTC MSRF and SJC further validate Boustead Projects' technology-driven strategy, which has gained clients who value Industry 4.0 transformation standards. JTC MSRF has been touted as one of the Singapore Government's landmark projects to shift the nation increasingly towards the circular economy, where maximum value is extracted from resources through recovery, recycling and regeneration. SJC is Singapore's first large-scale industrial development to be awarded the Green Mark Platinum – Super Low Energy, a huge step towards minimal to zero carbon footprints.

Aside from completing ALICE in one-north during the year, Boustead Projects also secured its fourth and fifth business park projects there, which are respectively to design-and-build the Razer Southeast Asia Headquarters ("Razer SEA HQ") and for the building of an integrated R&D and office business park development for one of Singapore's largest corporations.

Artist's impression of JTC Multi-Storey Recycling Facility, Singapore
© Courtesy of JTC Corporation

Dec 2018
Singapore
Snakepit-BP secured development contract for Razer SEA HQ at one-north; BP E&C is design-and-build partner while Echo Base is asset manager

Jan 2019
Singapore
Awarded over S$200 million building contract for SJC at JID

Feb 2019
Singapore
Awarded over S$70 million design-and-build contract for integrated advanced high-tech manufacturing facility

Mar 2019
Malaysia
Entered into JV with MAHB to develop aerospace and high-tech park at Subang Aerotech Park

Mar 2019
Singapore
Proposed investment in 25% shareholding of DSCO (completed in FY2020)

REAL ESTATE SOLUTIONS

Other design-and-build projects secured are Boustead Projects' fifth and sixth developments under the BDP in Singapore, which are respectively Amcor's integrated production and logistics facility, and Bombardier Aerospace Singapore Service Centre Phase 2 at the Seletar Aerospace Park ("SAP"). Closing off FY2019, Boustead Projects was awarded an over S$70 million contract to design-and-build an integrated advanced high-tech manufacturing facility incorporating Class 10 cleanrooms and earmarked to achieve Green Mark Gold Plus.

Real Estate Business

In FY2019, real estate revenue (previously known as leasing revenue) was 5% lower year-on-year at S$29.2 million, mainly impacted by the lease expiry of 85 Tuas South Avenue 1 in January 2018.
The property was leased to a new tenant in April 2018, with rental revenue and cash flow expected to recommence in FY2020 after additions & alterations are completed.

Real estate PBT was 25% lower year-on-year, impacted by the lease expiry of 85 Tuas South Avenue 1, depreciation expenses incurred on ALICE and the absence of a one-off gain from associated company, THAB Development Sdn Bhd ("THAB") registered in FY2018, partially offset by the gain attributable to the sale of 25 Changi North Rise. Boustead Projects' decision to sell 25 Changi North Rise was made in consideration of the relatively short land lease tenure remaining for the property and its optimisation strategy for the leasehold portfolio.

During the year, the BDP completed ALICE, the most intelligent business park development to date, with the greatest number of front-end and back-end building management systems integrated onto a single platform, transforming the user experience for tenants, visitors, asset managers, facilities managers and the landlord, and enabling greater productivity through automation and convenience. Awarded the Green Mark Platinum, ALICE allows tenants to monitor individual energy and water consumption levels on a smart mobile app. The app also acts as a mobile access card for tenants and visitors, with a destination control system restricting access to tenants' or visitors' respective floors as an added security feature. The app and user portal also allow tenants to self-manage visitor access, staff passes, season and guest parking, and extend air-conditioning hours, among other smart features. Approximately 80% of ALICE's net leasable area is either committed or under advanced negotiations.

Also under the BDP, the completed Continental Building Phase 3, a R&D expansion for Continental Automotive connected to Phases 1 and 2, began contributing to Boustead Projects' share of joint venture ("JV") rental income from the start of FY2019.

Overseas, Boustead Projects successfully leased out almost all of THAB's multi-tenanted logistics hub at the Port of Tanjung Pelepas in Iskandar Malaysia and progressed with the construction and marketing of ready-built standard industrial facilities on the first 60,000 square metres of land in Boustead Industrial Park located within Nhon Trach 2 – Nhon Phu Industrial Park in Dong Nai, Vietnam.

It was a highly successful year on the business development front, during which Boustead Projects secured a haul of new developments in Singapore including land at Braddell Road to be developed into a new multi-tenanted smart development in a central location with extremely limited capacity. Apart from Amcor's and Bombardier's developments secured by the BDP, Snakepit-BP LLP ("Snakepit-BP"), Boustead Projects' JV with Razer's co-founder and other private investors, secured the development of the Razer SEA HQ, which is also the maiden

ALICE@Mediapolis, one-north, Singapore project under asset management for another JV platform, Echo Base-BP Capital Pte Ltd ("Echo Base"). The JVs for the various development deals secured in Singapore have all awarded BP E&C the respective design-and-build contracts.

In a major breakthrough in Malaysia, Boustead Projects established BP Malaysia Airports Subang Aerotech Sdn Bhd ("BP-MAHB Subang Aerotech"), a JV with Malaysia Airports Holdings Bhd ("MAHB") to develop an aerospace and high-tech park at the Subang Aerotech Park in Selangor, on potentially over 140,000 square metres of land next to the Sultan Abdul Aziz Shah Airport (also known as Subang Airport) to be leased to corporations serving the aerospace industry.

With the completion of ALICE, the number of completed properties in Boustead Projects' leasehold portfolio* is now over 268,000 square metres in gross floor area ("GFA"), with a total market valuation exceeding S$800 million and supported by a relatively well-staggered lease expiry profile, and well-diversified and reputable tenant base. At the end of FY2019, Boustead Projects' completed wholly-owned leasehold properties comprised over 166,000 square metres in GFA, and – including 85 Tuas South Avenue 1 which had been leased to a new tenant – had an overall occupancy rate of 93% and a weighted average lease expiry ("WALE") of over five years, while completed jointly-owned leasehold properties comprised over 101,000 square metres in GFA, and – excluding ALICE where leasing is still in progress – had an overall occupancy rate of 97% and a WALE of over six years.

Strategic Partnerships & Investments

In FY2019, Boustead Projects formed three new strategic partnerships: Echo Base in Singapore, BP-MAHB Subang Aerotech in Malaysia and a strategic partnership through investment in DSCO Group Holdings Pte Ltd ("DSCO") in Singapore. These new strategic partnerships complement existing strategic partnerships including the BDP in Singapore, THAB in Malaysia and a consortium led by SGX-listed Perennial Real Estate Holdings Ltd in China.

Echo Base

During FY2019, Boustead Projects launched Echo Base, a strategic JV real estate fund management and services platform focused on the development, investment and management of smart buildings and integrated developments across the Asia Pacific, specifically in selected global gateway cities. Echo Base is equally owned by Boustead Projects and Moor House Capital Pte Ltd, a company that is majority-owned by Razer's co-founder. Echo Base's maiden project under asset management is the Razer SEA HQ, a high-tech smart business park development under Snakepit-BP, Boustead Projects' JV with Razer's co-founder and other private investors. With a mandate covering the Asia Pacific and technology-driven real estate, Echo Base is also expected to facilitate entry into new real estate sectors across a wider geographical reach.

DSCO

At the end of FY2019, Boustead Projects announced its strategic investment in a 25% shareholding of DSCO for approximately S$4.2 million, with the investment completed the day after FY2019 ended. Given DSCO's strong reputation as a leading designer in data centres, Boustead Projects expects its investment in DSCO to support future expansion and augment construction and development capabilities in high-tech and high-value projects.

BP-MAHB Subang Aerotech

During FY2019, Boustead Projects established BP-MAHB Subang Aerotech, a 70-30 strategic JV platform with MAHB to develop an aerospace and high-tech park at the Subang Aerotech Park in Selangor, to be leased to corporations serving the aerospace industry. MAHB has granted BP-MAHB Subang Aerotech the rights to sublease up to over 140,000 square metres of land next to the Subang Airport, subject to MAHB obtaining the relevant authority approvals for the sublease.

Malaysia, in particular Selangor, is expected to continue playing an important role in the Asia Pacific's growing maintenance, repair and overhaul market and aerospace industry. Boustead Projects' strategic partnership with MAHB will allow further expansion of its overseas presence in a high value sector where it is able to add value, given its integrated and growing capabilities across design-and-build and development, and experience and track record in delivering projects in the aerospace industry which currently stands at over 200,000 square metres in GFA.

With conditions in Singapore's real estate market sector expected to remain challenging in FY2020, Boustead Projects will continue to focus on targeted opportunities in high value-added industries and build on strategic partnerships and platforms to support medium to long-term growth efforts in Singapore and the region, penetrate certain high barrier to entry industries and new real estate sectors. Boustead Projects expects its investment in DSCO to support its future expansion and complement its range of expertise in high-tech and high-value specialised projects such as data centres. Boustead Projects will also continue to expand its leasehold portfolio of income-generating properties and has reached a stage where various options to monetise the value of its leasehold portfolio are under active review by Boustead Projects' Board.

* *Includes both wholly-owned and jointly-owned properties.*

GEOSPATIAL TECHNOLOGY

Our Geospatial Technology Division's key subsidiaries – Esri Australia, Esri Singapore, Esri Malaysia and Esri Indonesia – provide professional services and exclusively distribute Esri's ArcGIS technology, the world's leading geographic information system ("GIS") and location analytics platform to major market sectors across Australia and parts of South East Asia. The software creates digital infrastructure solutions that enable smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning and management of key infrastructure and resources.

Market Sectors

ALL INDUSTRIES

- Agribusiness
- Architecture, engineering and construction ("AEC")
- Banking
- Defence and intelligence
- Education
- Emergency services
- Energy, oil & gas ("O&G") and renewables
- Environmental management
- Government
- Health and human services
- Infrastructure
- Insurance
- Law enforcement
- Mining
- Non-profit organisations
- Plantation
- Ports and maritime
- Real estate
- Retail
- Telecommunications
- Transport and logistics
- Utilities

Geographic Markets

8 COUNTRIES AND TERRITORIES

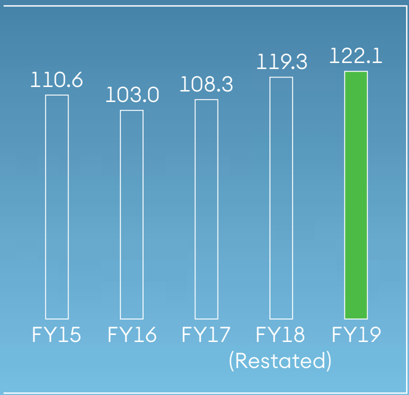
- Australia
- Bangladesh
- Brunei
- Indonesia
- Malaysia
- Papua New Guinea
- Singapore
- Timor-Leste

Performance Highlights

DIVISION REVENUE

S$122.1 million

Year-on-year ↑ **2%**

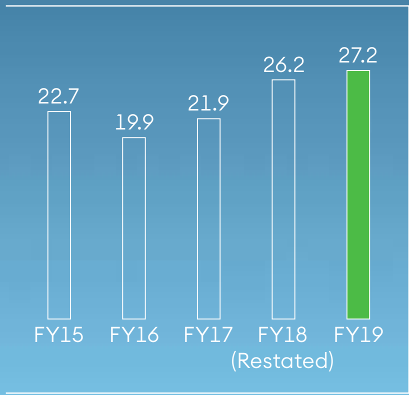


- *Third consecutive year of revenue growth and record revenue*

DIVISION PROFIT BEFORE INCOME TAX

S$27.2million

Year-on-year ↑ **4%**

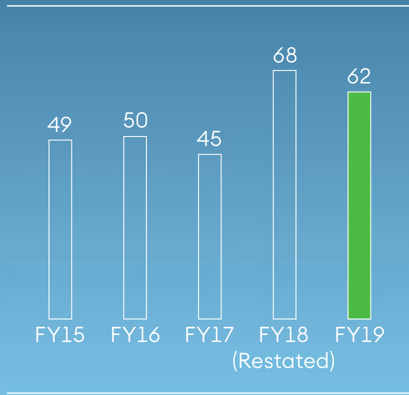


- *Third consecutive year of profit growth*

DIVISION YEAR-END ENTERPRISE AGREEMENT AND DEFERRED MAINTENANCE BACKLOG

S$62 million

Year-on-year ↓ **9%**



- *Healthy recurring income levels*

GEOSPATIAL TECHNOLOGY

Our Geospatial Technology Division is ranked among the top three exclusive distributors in Esri Inc's global network, with a client base numbering over 13,000 organisations regionally.

Registering revenue and profit growth for the third consecutive year and achieving a new record revenue of S$122.1 million, steady demand remained in place across markets in Australia and South East Asia. Profit before income tax increased 4% year-on-year to S$27.2 million. This was attained despite currency exchange headwinds.

FY2019 also saw further deepening of engagement with both existing and new clients, as well as establishing a foothold in new sectors including AEC and telecommunications. Additionally, a closer alignment between our division's key subsidiaries resulted in greater collaboration, economies of scale and efficiency, fostering a stronger culture of innovation and expanding marketing of our division's proprietary and internally developed SmarterWX product portfolio regionally.

From a global perspective, the 'smart government' concept is now complementing the smart city approach to continue driving demand for GIS capabilities. Specifically, agencies across different levels of government have significantly invested in using ArcGIS to translate smart government principles into tangible transformative actions.

Regionally, new revenue opportunities have also been presented by 'Industry 4.0' transformations – a rethink of the traditional smart city approach to account for the fourth industrial revolution, where Internet of Things ("IoT") and other technologies seamlessly fuse the digital and physical worlds. The move towards Industry 4.0 is expected to fuel a number of opportunities for ArcGIS.

The AEC market saw significant growth over FY2019 in terms of both private and public sector projects, largely due to the close partnership between Esri and Autodesk, which has enabled the seamless integration of GIS and building information modelling ("BIM") technologies. Governments have increasingly been using the new capabilities to enable the creation of digital twins. Originally from the manufacturing sector, the digital twin concept now refers to creating a digital replica of ecosystems – devices, environments, people, physical assets, processes and systems – to support pre-emptive decision making. The proliferation of digital twins and simulation technologies demonstrates evolving government thinking. Most government operations are shifting from reactive to near real-time decision making, with clear momentum to journey towards predictive decision making.

2019 marks Esri Inc's 50th Anniversary, a fitting milestone to achieve during one of the brand's most successful periods in Australia and South East Asia. During its 50-year journey, Esri Inc – the pioneering architect behind the development of GIS products for the analysis and management of location-based data – has stood as the unrivalled global market leader in geospatial technology. The company stands as a rare multi-generational force that has transformed through five tectonic shifts in the technology industry within the past five decades.

Esri Australia

In FY2019, Esri Australia continued to be our division's largest contributor and key driver of revenue and profit growth. Strong financial performance was a result of both deeper engagements with existing and new clients, as well as the effectiveness of transitioning the business model, intended to propel Esri Australia forward into its next growth phase. Esri Australia also secured a sizeable number of new Enterprise Agreements, multi-year agreements that facilitate an expanding consumption of software and services.

While software sales remained strong, it was professional services that experienced the greatest growth for the year, achieving its strongest results to date.
New opportunities continue to flow from Geocentric Datum of Australia 2020 ("GDA2020"), Australia's new official datum. GDA2020 seeks to accurately align the country's national coordinates with global satellite positioning systems to enable smart devices and other positioning technologies to accurately locate mapped features. Failure to update location data to GDA2020 risks exposing discrepancies of up to 1.8 metres, making it imperative for organisations nationwide to update their data and programmes.
Esri Australia has been a driving

FY2019 LARGEST ENTERPRISE AGREEMENT HIGHLIGHTS

Apr 2018
Australia
Australian Bureau of Statistics

Jun 2018
Australia
Queensland Urban Utilities

Jul 2018
Australia
Geoscience Australia

Jul 2018
Australia
Sunshine Coast Council

force encouraging organisations – in particular key government agencies – to create a GDA2020 strategy and work plan. Engaged by the Moreton Bay Regional Council ("MBRC") to provide a high-level GDA2020 implementation plan, Esri Australia's professional services team delivered recommendations to ensure that the MBRC's GDA2020 data migration is sufficiently understood across MBRC and a sound data migration plan is now in place.

From an industry perspective, FY2019 saw growth across key focus sectors including: smart government, AEC, public safety and utilities.

Mentioned earlier, the 'smart government' concept continues to drive demand for GIS capabilities. Esri Australia saw particular growth across state and local governments as a result of its highly targeted engagement programme and heightened community education efforts, which included the former Governor of Maryland, Martin O'Malley coming to Australia to meet with and advise key clients and prospects in October 2018. As Governor from 2007 to 2015, Governor O'Malley used ArcGIS to resolve a range of complex environmental and social problems in one of the most densely populated states in the US. His visit saw him share his ArcGIS strategy with various senior decision makers in state and local governments in Northern Territory, Queensland and South Australia.

This appetite for smart government solutions also underpinned demand for Esri Australia's Local Government Access ("LGA") Programme, which launched during the year. Developed in consultation with Australian city councils, the LGA Programme provides entry-level access to ArcGIS and enabled Esri Australia to make connections with a new tier of local governments, providing them with access to capabilities, efficiencies and insights they may have previously considered out-of-reach due to budget and resourcing constraints. Early beneficiaries from the LGA Programme include councils from Albany, Fremantle, Kempsey Shire, Murweh Shire and Perth.

SmarterWX, Australia

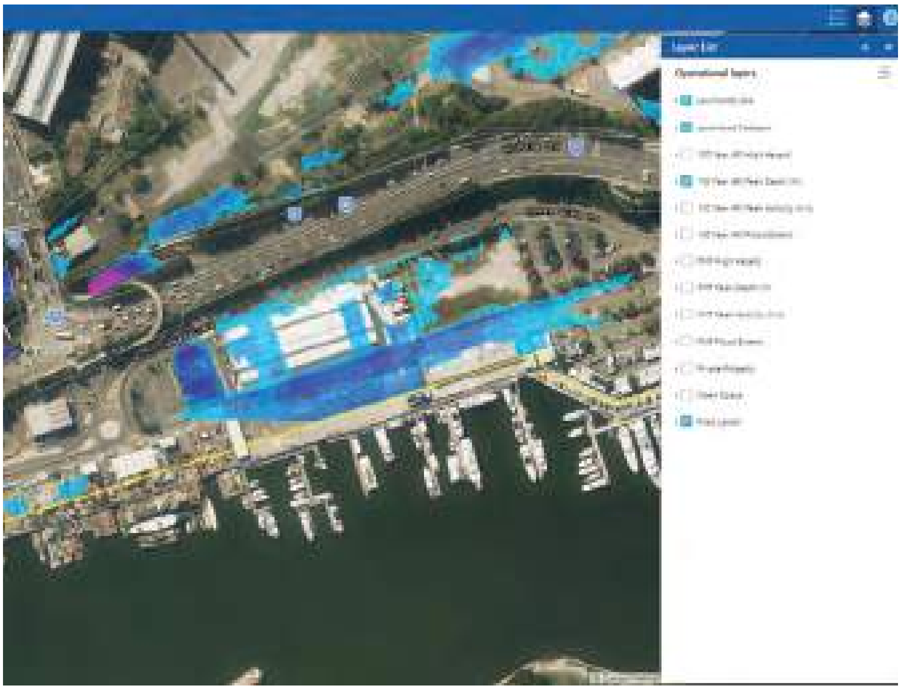
Esri Australia's AEC sector also saw significant growth in terms of both private and public sector projects, thanks to the close partnership between Esri and Autodesk which enabled the seamless integration of GIS and BIM technologies. Governments have increasingly been using the new capabilities to enable the proliferation of digital twins and simulation technologies, shifting from reactive to near real-time decision-making, with the Brisbane City Council and Department of Natural Resources, Mines & Energy both using ArcGIS to create digital twins that facilitate stronger evidence-based governance.

Jul 2018
Australia
Parks Victoria

Jul 2018
Australia
Department of the Environment & Energy

Sep 2018
Australia
Rockhampton Regional Council

Oct 2018
Australia
Moreton Bay Regional Council



Screenshot from Cardno Leichhardt Flood Risk Management Study & Plan, Australia

In terms of commercial enterprises, Cardno – a global infrastructure and environmental services corporation – is a pioneer in GIS-BIM integration in the AEC sector. Cardno's GIS-BIM integration has fortified planning and management of a number of large-scale development projects from the 700-hectare Calderwood Valley in New South Wales to a A$22 million sporting precinct in Queensland. Another innovator in the AEC sector, Norman Disney & Young ("NDY") used ArcGIS for its Circular Quay Renewal Investigation, a project with GIS-BIM integration to link asset, geological and hazmat reports to create more insightful models. CIMIC Group – an engineering-led construction, mining and services corporation – is also deploying ArcGIS to support over 200 infrastructure projects.

In FY2019, Esri Australia continued to make strong inroads into the utilities sector. The Northern Territory's Power & Water Corporation ("PWC") was awarded an Esri Special Achievement in GIS ("SAG") Award for its Living Water Smart programme, a water efficiency project for Darwin that is expected to save four billion litres of water over the next four years. PWC's Water Meter Replacement Programme initially involved checking and replacing 650 commercial meters and 10,000 retail meters over a 12-month period, using ArcGIS to increase efficiencies during the project, particularly in how information was being captured and communicated. With the solution deployed on mobile devices, staff and contractors were able to efficiently collect and update field information to an operations centre in near real-time, resulting in increases in accuracy and reliability which saw duplication of efforts reduced and efficiency gains snowball, with meter replacement rates increased by up to 70% – a compelling result from a solution that took just two weeks to deploy. Following this initial project, PWC has now used ArcGIS in more than 30,000 water meter inspections to detect almost 3,000 leaks.

Esri Australia's cloud-based managed services continued to drive business model transformation. Hosted "As a Service" GIS offerings remain a key growth area, reflecting the global trend of organisations adopting managed solutions over traditional on-premise models. Esri Australia's cloud-based managed services now manage and monitor hundreds of servers nationwide, with 26 clients across every mainland Australian state. Woodside – Australia's largest independent O&G corporation with a global portfolio – completed the rollout of an innovative, first-of-its-kind project migrating its entire enterprise GIS platform into an Esri Australia managed cloud.

Complementing commercial pursuits, Esri Australia's education programme providing K-12 schools with access to ArcGIS expanded to a total of 610 schools nationwide. Along with developing the GIS skills of students, the programme is now collaborating with industry bodies to bridge the gap between GIS education and real-world applications. Specifically, Esri Australia has been working with a number of clients such as Melbourne Water, Parks Victoria, Rural Fire Services and Sydney Water on a joint initiative to create GIS resources for schools. This effective strategy has ensured that GIS resources are being actively sought by students, while also fostering deeper relationships with key clients.

In the area of research and development, Esri Australia supported the University of Canberra's Centre for Research & Action in Public Health in the development of the Australian Geospatial Health Lab, a nationwide indicator framework that brings together world-class GIS technology and datasets from a wide range of research groups from across the globe. The framework combines previously unstudied indicators of health to paint a bigger picture of the contributors of Australia's chronic disease outcomes. Esri Australia also committed to supporting the National Disability Research & Development Agenda and the Hopkins Centre to use GIS in new service delivery models aimed at generating better outcomes for citizens with disabilities, a programme that will officially begin in FY2020.

Esri Singapore

In FY2019, Esri Singapore saw strong growth in revenue, profit and sector reach. This was achieved through heightened engagements with senior decision makers in its traditional market of government agencies, as well as establishing a foothold in new markets like AEC and telecommunications.

With the smart government concept continuing to drive demand for GIS capabilities, government agencies including the Land Transport Authority, PUB, Singapore Health, Singapore Land Authority, Singapore Power, Urban Redevelopment Authority ("URA") and the nation's defence, intelligence and public safety agencies have all leveraged ArcGIS to underpin intelligent applications and smart workflows. Their efforts have been key in establishing Singapore's credentials as a smart city leader, specifically as a Smart Nation.

Esri Singapore continued to help lay the foundations for a new initiative called 'Living Singapore', which highlights its position as a smart city thought leader and enabler. The concept was shaped by Esri Founder & President, Jack Dangermond, following his visit to Singapore where he met with the nation's most senior government leaders. Specifically, the 'Living Singapore' concept highlights the necessity for the government to establish its smart city platforms in a more dynamic and distributed way. A smart city cannot simply be a digital twin created to run simulations and tests; rather, it has to be based on a city as a living ecosystem where community policies and urban planning decisions rely on real-time data. Given that the ideal smart city platform is required to manage dynamic flows of information, facilitate collaboration among stakeholders and work towards impactful citizen-centric outcomes, Esri technology is one of the most effective ways to establish a platform that supports the 'Living Singapore' concept.

Esri Singapore also continued to support the URA's efforts in master planning, as the URA Draft Master Plan 2019 – a master plan that drives Singapore's long-term development that is revised every five years – was unveiled for public comments. Elsewhere, the National Parks Board ("NParks")'s custom-built enterprise GIS platform known as MAVEN, has enabled NParks to optimise its greenery management from initial data capture to ongoing data analysis and finally sharing information with the public. Essentially, through its partnership with Esri Singapore, NParks has been able to create a digitally-enabled world which will help it to achieve its vision of creating a biophilic City in a Garden. MAVEN was also recognised with an Esri SAG Award.

Continuing its growth in the commercial sector, Esri Singapore established a new relationship with Pizza Hut, which adopted ArcGIS to enable smarter market planning and site selection. Pizza Hut obtained a detailed understanding of their customers and markets, identifying not only growth opportunities but also underperforming sites in order to maximise its return on investment.

Outside of commercial commitments, the Ministry of Education ("MOE")'s Curriculum Planning & Development Division deployed MOE-EduGIS, aiming to bring GIS capabilities to secondary school students across Singapore. Over 60 secondary schools now leverage GIS as part of their geography syllabus, and process and analyse data to produce smart digital map apps via ArcGIS Online. This is a powerful way of ensuring that GIS capabilities are not only understood but also sought after by Singapore's next generation of government and industry leaders.

Entrance to Esri Singapore office at ALICE@Mediapolis, one-north, Singapore

Esri Malaysia

In FY2019, Esri Malaysia achieved significant revenue and profit growth, harvesting the fruits of long-term partnerships with organisations such as Malaysia's national mapping agencies and Petronas, which contributed significant recurring revenue. Esri Malaysia also continued to build on its reputation as a smart city thought leader, gained from its partnership with the Malaysian Centre for Geospatial Data Infrastructure to deliver the Local Government Benchmark Study, the nation's first comprehensive research into the use of GIS for building smart cities and a sustainable future.

In the transportation sector, Malaysia's Mass Rapid Transit Corporation ("MRT Corp") gained global attention in the AEC and transportation sectors when it undertook an ambitious project that integrated GIS, BIM and reality modelling technologies to transform the creation of large-scale infrastructure projects, such as the upcoming Sungai Buloh-Serdang-Putrajaya MRT Line. This line incorporates 37 stations stretching from Sungai Buloh to Putrajaya and will serve as a key transport corridor for more than two million people in capital, Kuala Lumpur. MRT Corp presented its world-leading approach at the annual Esri Malaysia User Conference 2018 where it shared how ArcGIS has transformed project planners' and engineers' capabilities to optimise designs, enhance project execution and reduce risk exposure.

A long-time Esri Malaysia client, Pengurusan Air Selangor ("AIS") continued to use ArcGIS to digitise its plans and maps of water networks including pipelines, structures and valves. In FY2019, AIS adopted ArcGIS Enterprise to enable GIS capabilities across its entire operations, empowering its workforce with improved data capture, analysis and storage. With this new enterprise GIS platform, AIS has increased its potential to ensure that the national water reduction programme is on track to achieve the nation's goal of providing cost-effective water services to customers.

Esri Founder & President, Jack Dangermond – the "Godfather of GIS" – speaking at Esri Singapore User Conference 2018, Singapore

Esri Indonesia

In FY2019, Esri Indonesia saw the resumption of a stable performance from a strong previous year, underpinned by ongoing engagements in the financial, O&G and telecommunications sectors. Esri Indonesia also worked with a number of leading government agencies on an 'Indonesia 4.0' spatial strategy, which culminated in hosting the Senior Leaders Forum for national security leaders and personnel to discuss how GIS can prepare the country for a stronger and more secure future.

In the financial sector, Bank Muamalat Indonesia ("BM"), the country's first and largest Islamic bank shared with *Asian Banking & Finance* – a major financial media publication – how it transformed service delivery by using ArcGIS to optimise the performance of its asset network and improve overall service quality. As a result of its innovative use of ArcGIS, BM achieved a 64% reduction in its ATM costs and acquired 10% more customers with 40% fewer branches.

In the O&G sector, Esri Indonesia partnered with Pertamina Hulu Mahakam ("PHM") – a subsidiary of state-owned national O&G corporation, Pertamina – to implement an innovative real-time GIS solution to increase efficiency and productivity in operations, enhance workforce safety and provide greater rigour around community engagement and environmental programmes. The success of this project has produced millions of USD in savings annually and was recognised in FY2019 as global best practice when PHM presented to more than 500 global O&G industry leaders at the annual Esri Petroleum GIS Conference, showcasing the best new innovations in GIS technology for the sector.

Pushing forward in the telecommunications sector, Telekomunikasi ("Telkom")'s innovative approach to using GIS technology to grow its customer base in a highly competitive market saw Telkom invited to speak at the annual Asia 2018 Global Carrier Community Meetings, an international telecommunications summit held in Singapore. Telkom shared how it has leveraged ArcGIS to gain critical serviceability insights into its Internet service provider fibre-to-the-home project, IndiHome – a triple-play offering that packages cable television, Internet and phone services. Insights provided clarity on competitive threats, customer prospects, network capacity and a model for an optimised infrastructure rollout plan. Additionally, Telkom developed a highly effective and targeted customer engagement programme that doubled IndiHome subscribers from two million to four million, with the expectation of reaching five million by the end of 2019 through continued use of ArcGIS. Telkom's project won an Esri SAG Award and serves as a blueprint for other major telecommunications corporations around the world.

Garnering international attention, the 2018 Asian Games was hosted in Indonesia and supported by weather and sporting events information at each of the venues on a smart weather application developed by Esri Indonesia and the Meteorological, Climatological & Geophysical Agency ("BMKG"). The application delivered real-time and predictive weather insights ensuring that event organisers could quickly identify and respond to potential weather issues. Athletes also used the application to prepare for events by understanding how humidity, temperature and wind speed may optimise or hinder their performance.

During FY2019, Esri Indonesia responded as the country was hit by a series of disasters. The Esri Indonesia Emergency Spatial Support Centre ("ESSC") – a disaster response programme run by Esri Indonesia to support government agencies during crises and disasters – developed a portal to coordinate disaster relief efforts for Sulawesi's Palu-Donggala earthquake and tsunami aftermath. The portal provided actionable insights needed by disaster relief agencies to conduct search and rescue operations, efficiently mobilise limited resources, optimise supply routes for relief goods and leverage data from several government agencies, namely the BMKG, Geospatial Information Agency, Indonesian National Board for Disaster Management, Ministry of Home Affairs, Ministry of Public Works & Housing and National Institute of Aeronautics & Space; as well as crowdsourced data from the Gajah Mada University and image analytics from the Bandung Institute of Technology. The portal includes a library of interactive web applications and operational dashboards which feature affected population and their demographics, the number of buildings and infrastructure impacted, before and after satellite image comparisons, available hospitals and evacuation centres, and live reports from social media.

Towards the end of FY2019, Esri Indonesia and Microsoft Indonesia announced a formal collaboration in bringing geospatial technology – combined with artificial intelligence and machine learning – to the Microsoft Azure cloud computing platform. Riding on Esri and Microsoft's global partnership of over more than 15 years, this new local partnership between Esri Indonesia and Microsoft Indonesia involves providing a wide range of applications for various markets across the commercial, government and academic sectors.

Regional Accolades and Initiatives

Furthering the vision towards a smart world, at the 2018 Esri User Conference held in July 2018, nine clients within our division's respective exclusive distribution network in Australia, Singapore, Malaysia and Indonesia were internationally recognised as winners of the prestigious Esri SAG Award, selected from a pool of more than 100,000 private and public sector organisations globally. The SAG Award honours organisations that demonstrate innovative use of GIS technology to solve pressing real world challenges. This also represents the highest number of clients recognised annually within our division's exclusive distribution network in our history.

In Australia, in addition to PWC mentioned earlier, Geoscience Australia also won a SAG Award for its groundbreaking work in the search for missing Malaysian Airlines flight MH370. Geoscience Australia was recognised for innovative use of GIS technology to advance mapping of the deep oceans. Although MH370 was not found, the search led to discoveries of underwater mountains, trenches and volcanoes, and improved the accuracy of ocean depths by up to two kilometres. Data from this project will also underpin the Nippon Foundation-GEBCO Seabed2030 Project, bringing together the world's scientific agencies to ambitiously map the entirety of the world's ocean floor in high resolution by 2030.

In Singapore, in addition to NParks mentioned earlier, PUB also received a SAG Award for its Geographic Resource Information System, a solution for Singapore's integrated water management, enabling planning, operations and maintenance to be sustainably managed.

In Malaysia, three leading organisations – national O&G giant Petronas, Sabah Lands & Surveys Department and Kerajaan Negeri Sembilan – were honoured with SAG Awards. Petronas made innovative use of GIS technology within its exploration division to optimise operations across its business, particularly in establishing a comprehensive and integrated exploration platform which improved process evaluation and enabled more efficient decision making regarding the drilling of exploration targets.

In Indonesia, in addition to Telkom mentioned earlier, the National Resilience Institute was presented with a SAG Award.

Moving forward on regional initiatives in FY2020, further emphasis will be placed on deepening relationships with existing clients and cultivating new areas of growth with potential clients who are just beginning to realise the value of GIS technology across all of our division's markets. Our Geospatial Technology Division will continue to walk hand-in-hand with clients and partners to use transformative technology to improve the quality of life for all walks of life and enhance our position as the largest and most influential GIS player in the Asia Pacific.

ESRI SPECIAL ACHIEVEMENT IN GIS AWARDS

	Australia	Singapore
Total	**22 awards**	**16 awards**
2018	• Geoscience Australia for MH370 search GIS solution • Power & Water Corporation for utilities management GIS solution	• National Parks Board for MAVEN • PUB for Geographic Resource Information System ("GERI")
2017	• Australian Army for defence GIS solution	• Urban Redevelopment Authority ("URA") for GEMMA
2016	• Queensland Urban Utilities for Q-Hub	• Housing & Development Board for Integrated Planning & Analysis Platform
2015	• Australian Geospatial-Intelligence Organisation for Enterprise Production Management • Hema Maps Pty Ltd for Hema Explorer Map • Victoria's Department of Environment, Land, Water & Planning for FloodZoom	• Land Transport Authority ("LTA") for Planning for Land Transport Network • Municipal Services Office for OneService@SG
2014	• Queensland's Department of Natural Resources & Mines for stock route management GIS solution • South Australia's Department of Communities & Social Inclusion for Evidence Based Management Framework	• Singapore Land Authority ("SLA") for Spatial Challenge
2013	• Western Power for enterprise GIS solution	• URA for Integrated Planning & Land Use System ("URA iPLAN")
2012	• VicRoads for VicTraffic	• Ministry of Health for healthcare GIS solution • PUB for GERI
2011	• Brisbane City Council for Flood Map • Queensland Fire & Rescue Service for Total Operational Mapping	• SLA for GeoSpace
2010	• Australian Department of Climate Change for National Carbon Accounting System • Victoria's County Fire Authority for EIMS Mapper	• SLA for OneMap
2009	• Australian Capital Territory Emergency Services Agency for emergency management GIS solution • Tasmania's Department of Primary Industries & Water for state GIS solution	
2008	• Royal Australian Navy Directorate of Oceanography & Meteorology, Australia for marine GIS solution • Thiess Pty Ltd for engineering GIS solution • WestNet Energy Alinta Gas Networks for utilities GIS solution	• LTA for Land Transport Infrastructure Data Hub
2007	• City of Greater Geelong for municipal GIS solution	• Defence Science & Technology Agency for national security GIS solution • SLA for Singapore Street Directory
2006	• BHP Billiton Ltd for Enterprise Spatial Data Infrastructure	• URA for URA iPLAN

Malaysia	Indonesia
11 awards	**10 awards**
• Kerajaan Negeri Sembilan for GIS9 • Sabah Lands & Surveys Department for Jabatan Tanah dan Ukur Web Mapping Application • Petronas Carigali Sdn Bhd for Play Based Exploration	• National Resilience Institute of the Republic of Indonesia for Siskurtannas • PT Telekomunikasi Indonesia for Sales IndiHome Information System
• Penang Geographical Information System Centre for e-Peta	• Indonesian Navy for Hydro-Oceanography Data Centre • Bank Muamalat for banking GIS solution
• Malaysian Centre for Geospatial Data Infrastructure (“MaCGDI”) for Malaysia Geospatial Online Services	• Ministry of Home Affairs of the Republic of Indonesia for population data management GIS solution
• Department of Survey & Mapping Malaysia (“JUPEM”) for Geospatial Data Acquisition System	• PT Freeport Indonesia for mining GIS solution
• JUPEM, Defence Geospatial Division for uGeo for Defence	• PT Pertamina EP for upstream O&G GIS solution
• Sarawak Land & Survey Department for Land & Survey Information System	• Ministry of Energy & Minerals Resources, Directorate General of Mineral & Coal Mining for mining GIS solution
• Ministry of Housing & Local Government, Federal Department of Town & Country Planning for Safe City Monitoring System	• Ministry of Transportation for transportation GIS solution
• MaCGDI for Malaysia Geospatial Data Infrastructure	
• JUPEM, Utility Mapping Section for National Utility Database	• National Coordinator for Survey & Mapping Agency for national mapping GIS solution

HEALTHCARE TECHNOLOGY

Our Healthcare Technology Division is under WhiteRock Incorporation Pte Ltd ("WRI"), a provider of niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific. Rising ageing populations require a significant increase in long-term healthcare infrastructure and skilled healthcare manpower, which in turn drives demand for technologies and services in the long-term care market, especially in community hospitals, nursing homes and outpatient centres. Our division helps address the pain points of healthcare institutions by promoting faster recovery and higher productivity, both aimed at reducing resource shortages faced by national healthcare systems and the healthcare industry at large.

Market Sectors

- Rehabilitative care
- Sleep care
- Sports science

Geographic Markets

7 COUNTRIES AND TERRITORIES

- Australia
- China
- Hong Kong
- Japan
- Malaysia
- Singapore
- Thailand

Performance Highlights

DIVISION REVENUE

S$11.4 million

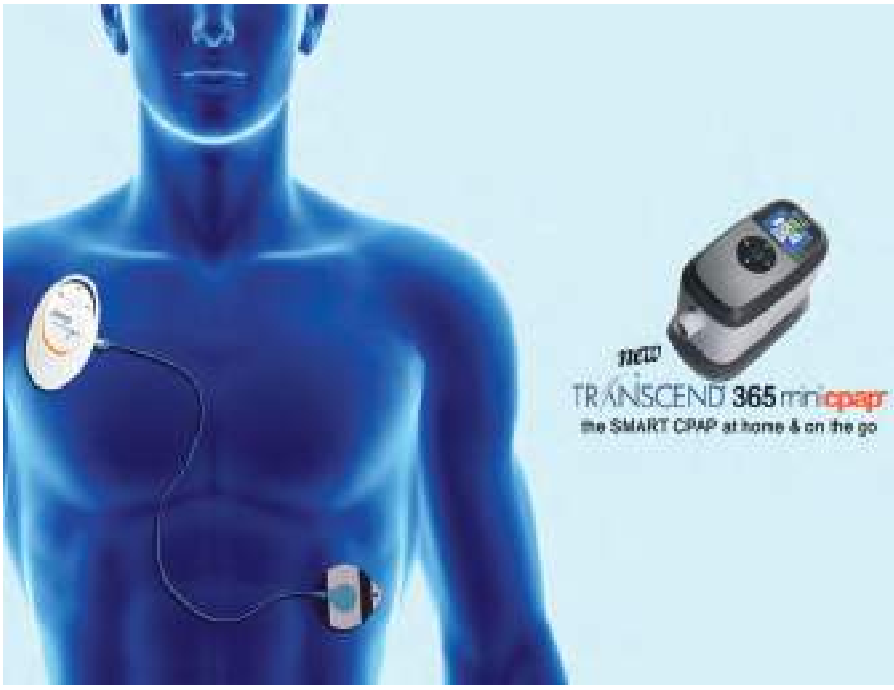
- *Nine months of maiden revenue contribution*

DIVISION PROFIT BEFORE INCOME TAX

S$0.6 million

- *Slight delay in award of two major contracts*

In 1Q FY2019, our new Healthcare Technology Division was established after completing the acquisition of WRI – the principal holding company of our division – for approximately S$18.9 million. WRI comprises a group of 16 healthcare companies – the largest being wholly-owned subsidiary, United BMEC Pte Ltd ("United BMEC") and 50% associated company, Beijing Pukang Sport & Medical Co Ltd ("Pukang") – mainly operating across Australia, China, Hong Kong, Japan, Malaysia, Singapore and Thailand. WRI's solutions are aimed at addressing niche areas of core chronic disease states including cardiovascular, diabetes, hypertension, orthopaedics, sleep disorders and stroke, across the continuum of long-term care.



Sleep health management

Rehabilitative care and sports science are served by United BMEC and Pukang, which respectively address the South East Asia and China markets. Sleep care is served by our subsidiary, WhiteRock Medical Asia Pte Ltd, which exclusively operates the SleepImage sleep diagnostics based on cardiopulmonary coupling technology – a spinoff from Harvard Medical – and also distributes Transcend's range of portable continuous positive airway pressure ("CPAP") products designed to treat obstructive sleep apnoea. Transcend recently launched the world's first and only integrated portable CPAP with heated humidifier.

The growing prevalence of chronic diseases has led to complexities in rehabilitative care, especially in patients with comorbidities, the presence of one or more additional related diseases. WRI's introduction of leading technologies in the rehabilitation of cardiac and stroke patients in Asian markets enables it to play an important role in combating these complexities, complemented by its focus on sleep care where it provides innovative technologies and services to diagnose and treat sleep disorders, comorbidities of most cardiac and stroke patients. Another area of focus for WRI is in addressing mobility deficits of the elderly

Translating technology to patient care

through transformative mobility equipment such as exoskeletons, robotics and adaptive fitness programmes.

Following our acquisition, WRI made nine months of maiden division revenue contribution totalling S$11.4 million, with division profit before income tax of S$0.6 million, affected by a slight delay in the award of two major contracts.

While technology distribution still provided for the majority of revenue during FY2019, WRI took significant steps to deepen the transformation into a solutions provider with bundled products and services, aiming to improve the profitability, scale and sustainability of its business lines and more importantly, quality of life outcomes for all walks of life.

These initiatives, in various stages of planning, implementation and investments include:

- Establishing functional assessment centres to assess pre- and post-surgical outcomes of chronic disease patients (e.g. orthopaedic diagnostic centres) as well as data building for prognostic purposes;
- Providing sleep care management for chronic disease patients where sleep disorder comorbidities heighten mortality risks of such patients;
- Providing efficacious, efficient and technology-driven mobility programmes for chronic disease patients;
- Providing services that address the underserved or unmet needs of elderly patients in healthcare facilities such as compression therapy, vital signs monitoring and wound care;
- Providing rehabilitation services, education and training to healthcare practitioners; and
- Assembling and manufacturing products in partnership with principals for Asian markets with local requirements.

The successful execution and growth of WRI's services-led businesses – currently at under 20% of its revenue – could also potentially significantly enlarge its recurring income.

Going forward in FY2020, while the ongoing trade war between the US and China casts uncertainty on general business conditions, healthcare remains a defensive sector that gives rise to our division's cautiously positive outlook for the year ahead.

QUALITY, SAFETY & SUSTAINABILITY AWARDS

	Awarded by: BCA / Enterprise Singapore		
	Construction Excellence, Productivity & Quality Awards	Green Mark Platinum	Green Mark Gold Plus & Gold
Total	**8 awards**	**12 awards**	**11 awards**
2019	• Construction Productivity Award – Projects (Gold) for Continental Building Phase 3	• Bolloré Blue Hub • Surbana Jurong Campus (Super Low Energy) **/ 1st Super Low Energy in large-scale industrial category /** • Veolia Singapore Office@Tuas View Circuit	
2018	• BP E&C: Green & Gracious Builder Award (Excellent)	• ALICE@Mediapolis	
2017	• BP E&C: Singapore Quality Class Certification under Enterprise Singapore Business Excellence • BP E&C: BIM Gold Award – Organisation Category • Construction Excellence Award for Seagate Singapore Design Center – The Shugart		• Markono M-Cube (Gold) • XP Power (Gold Overseas) **/ 1st Green Mark in non-residential building category in Vietnam /**
2016		• Kuehne + Nagel Singapore Logistics Hub	
2015	• BP: Green & Gracious Builder Award (Merit) • Construction Productivity Award – Projects (Gold) for Edward Boustead Centre	• Edward Boustead Centre • Seagate Singapore Design Center – The Shugart	• Greenpac Greenhub (Gold Plus)
2014	• Construction Excellence Certificate of Merit for Bolloré Green Hub	• DB Schenker Shared Logistics Center 3 (Tampines LogisPark)	• Greenpac Greenhub (Office Interior Gold Plus) • Kerry Logistics Centre (Gold) • Satair Airbus Singapore Centre (Gold)
2013			• Greenpac Greenhub (Gold) • Jabil Circuit (Gold)
2012		• Bolloré Green Hub **/ 1st in logistics category /**	
2011		• Rolls-Royce Wide Chord Fan Blade Manufacturing Facility • Rolls-Royce Test Bed Facility **/ 1st in aerospace category /**	
2010			• IBM Singapore Technology Park (Gold) • Sun Venture Investments@50 Scotts Road (Gold)
2009		• Applied Materials Building **/ 1st in heavy industry category /**	• StarHub Green (Gold)

Legend

BCA: Building & Construction Authority
BIM: Building Information Modelling
BP: Boustead Projects
BP E&C: Boustead Projects E&C
BSWS: Boustead Salcon Water Solutions
EDB: Economic Development Board of Singapore
LEED: Leadership in Energy & Environmental Design
SHARP: Safety & Health Award Recognition for Projects
USGBC: US Green Building Council

Awarded by:	
USGBC	**WSHC**
LEED Gold	**bizSAFE & Safety Awards**
3 awards	**19 awards**
	• SHARP for ALICE@Mediapolis
	• SHARP for GSK Asia House
• Kuehne + Nagel Singapore Logistics Hub	• SHARP for Kuehne + Nagel Singapore Logistics Hub
	• SHARP for MTU Asia Pacific HQ
• Kerry Logistics Centre • Bolloré Green Hub **/ 1st LEED Gold in logistics industry in Asia /**	
	• BSWS: bizSAFE Star • BP: WSH Performance (Silver) Award • SHARP for Bolloré Green Hub
	• BP: bizSAFE Mentor • BP: WSH Performance (Silver) Award • SHARP for Rolls-Royce Wide Chord Fan Blade Manufacturing Facility
	• BP: WSH Performance (Silver) Award • BP: WSH Officer Award • SHARP for Applied Materials Building • SHARP for IBM Singapore Technology Park • SHARP for Singapore Aero Engine Services • SHARP for Le FreePort
	• BP: bizSAFE Star • BP: WSH Performance (Silver) Award • SHARP for StarHub Green

WSH: Workplace Safety & Health
WSHC: Workplace Safety & Health Council

BOARD OF DIRECTORS

Wong Fong Fui
Chairman & Group Chief Executive Officer
- Member, Nominating Committee

Bachelor of Engineering (Chemical Engineering), University of New South Wales ("UNSW")
Honorary PhD (Business), UNSW

Appointed: 15 April 1996
Last re-elected: 28 July 2016

Mr Wong was appointed as our Chairman & Group Chief Executive Officer in 1996. He began his career as a chemical engineer in the oil & gas industries and subsequently co-founded various private engineering and construction corporations in his early years. Prior to joining the Boustead Group, he was the Group Managing Director of QAF Ltd, a conglomerate which he successfully turned around from 1988 to 1996, with a focused strategy on growing food manufacturing and retail businesses including Gardenia. He was also instrumental in the start-up and privatisation of Myanmar Airways International – the country's national airline – from 1993 to 1998. He is an entrepreneur with proven success in diverse fields. In 2009, he received the Best Chief Executive Officer (Mid-Cap Category) at the Singapore Corporate Awards. He was also appointed by the Singapore Government's Ministry of Finance to sit on the Economic Strategies Committee and as Co-Chairman for the Land Sub-Committee. In 2014, he received an Honorary Doctor of Business from his alma mater, the UNSW. In 2015, he was recognised by the Singapore Chinese Chamber of Commerce & Industry with the SG50 Outstanding Chinese Business Pioneers Award. He was also appointed to serve on the National University of Singapore Board of Trustees from 2016 to 2018.

Wong Yu Loon
Executive Director & Deputy Group Chief Executive Officer

Bachelor of Law, University of New South Wales ("UNSW")
Bachelor of Commerce (Accounting), UNSW
Chartered Financial Analyst

Appointed: 2 April 2013
Last re-elected: 26 July 2018

Mr Wong joined the Boustead Group in 2003 and was appointed as our Executive Director in 2013 and Deputy Group Chief Executive Officer in 2016. He began his role here as Corporate Planning Manager and was subsequently promoted to Group Investment Director before assuming his current position. He is responsible for assisting our Group Chief Executive Officer in overseeing strategic execution, business development and day-to-day management and operations. With over a decade of extensive mergers and acquisitions, and corporate and financial advisory experience, he has worked with various investment banks and corporate financial institutions regionally.

Loh Kai Keong
Non-Executive Director & Consultant
- Member, Audit & Risk Committee
- Member, Remuneration Committee

Bachelor of Accounting, University of Singapore
Chartered Accountant of Singapore
Associate, Chartered Institute of Secretaries

Appointed: 1 February 2005
Last re-elected: 27 July 2017

Mr Loh joined the Boustead Group in 1999 and was appointed as our Group Chief Financial Officer in 2002 and Executive Director in 2005. Following his retirement in 2018, he remains as our Non-Executive Director and has been retained as Consultant to the Boustead Group. With over 40 years of extensive audit, financial, mergers and acquisitions, and organisational management experience, he is currently independent non-executive director and the Audit Committee Chairman of Shanghai Turbo Enterprises Ltd. He also held positions spanning both the private and public sectors, covering airlines, the civil service, communications and exhibitions, engineering, food, information technology, insurance, manufacturing, shipping, and retail and wholesale. In 2016, he received the Best Chief Financial Officer (Mid-Cap Category) at the Singapore Corporate Awards.

Dr Tan Khee Giap
Independent Non-Executive Director
- Chairman, Audit & Risk Committee
- Member, Nominating Committee

PhD, University of East Anglia

Appointed: 28 June 2018
Last re-elected: 26 July 2018

Dr Tan was appointed as our Independent Non-Executive Director in 2018. He is currently Co-Director of Asia Competitiveness Institute and Associate Professor of Public Policy at the Lee Kuan Yew School of Public Policy at the National University of Singapore and the Chairman of the Singapore National Committee for Pacific Economic Cooperation. He relinquished his role as independent non-executive director of Boustead Projects Limited in 2018 following his appointment to our Board. He is currently independent non-executive director of BreadTalk Group Ltd, Chengdu Rural Commercial Bank Co Ltd and TEE Land Ltd, and senior business advisor to United Overseas Bank Ltd. He has consulted extensively at several of the Singapore Government's ministries, statutory boards and government-linked corporations and has served as a member of the Resource Panels of the Government Parliamentary Committee for Transport, Government Parliamentary Committee for Finance and Trade & Industry and Government Parliamentary Committee for Defence & Foreign Affairs since 2007.

Chong Ngien Cheong
Independent Non-Executive Director
- Chairman, Nominating Committee
- Member, Audit & Risk Committee
- Member, Remuneration Committee

Bachelor of Commerce, Nanyang University

Appointed: 23 May 1996
Last re-elected: 27 July 2017

Mr Chong was appointed as our Independent Non-Executive Director in 1996. He is currently Director of Sang Chun Holdings Pte Ltd, an investment and holding company.

Godfrey Ernest Scotchbrook
Independent Non-Executive Director
- Chairman, Remuneration Committee
- Member, Audit & Risk Committee

Fellow, Chartered Institute of Public Relations
Fellow, Hong Kong Management Association
Appointed: 21 September 2000
Last re-elected: 26 July 2018

Mr Scotchbrook was appointed as our Independent Non-Executive Director in 2000. With over 40 years of extensive corporate communications and crisis management experience, he founded Scotchbrook Communications Ltd, a firm focused on corporate and financial communications and investor relations. A proponent of good corporate governance, he is currently non-executive director of Convenience Retail Asia Ltd and independent non-executive director of Del Monte Pacific Ltd. He is a Fellow of the British Chartered Institute of Public Relations and Hong Kong Management Association.

KEY MANAGEMENT TEAM

Group Headquarters

Wong Fong Fui
Chairman &
Group Chief Executive Officer
Boustead Singapore Limited, 1996
Profiled under Board of Directors, page 54

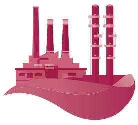
Wong Yu Loon
Executive Director & Deputy Group Chief Executive Officer
Boustead Singapore Limited, 2003
Profiled under Board of Directors, page 54

Chan Shiok Faun
Group Chief Financial Officer
Boustead Singapore Limited, 1991

Yeo Wee Leong
Senior Vice President – Internal Audit
Boustead Singapore Limited, 2008

Keith Chu
Senior Vice President – Corporate Marketing & Investor Relations
Boustead Singapore Limited, 2003

Karen Kor
Senior Vice President – Group Human Resources
Boustead Singapore Limited, 2013



Energy-Related Engineering

Downstream Oil & Gas/Petrochemicals

Stuart Cummings
Chief Executive Officer
Boustead International Heaters Ltd, 2013

Peter Halstead
Finance Director
Boustead International Heaters Ltd, 2004

David Champneys
Process Engineering Director
Boustead International Heaters Ltd, 1999

Ian Kentsley
Projects Director
Boustead International Heaters Ltd, 1997

Steve Ruscoe
Manufacturing Director
Boustead International Heaters Ltd, 1997

Upstream Oil & Gas

Prasun Chakraborty
Chief Executive Officer
Controls & Electrics Pte Ltd, 1991

Vijayalakshmi Rajendran Meenakshi Sundaram
Head of Engineering
Controls & Electrics Pte Ltd, 1992

Raghavan Nair Gopa Kumar
Head of Projects
Controls & Electrics Pte Ltd, 1995

Anindya Chakraborty
Country Manager
Boustead Controls & Electrics (India) Pvt Ltd, 2004

Water & Wastewater Engineering

Ravi Subramanian
Chief Executive Officer
Boustead Salcon Water Solutions Pte Ltd, 2014

Sun Ping
Business Development Director
Boustead Salcon Water Solutions Pte Ltd, 2004

Wong Hon Yee
Senior Project Manager
Boustead Salcon Water Solutions Pte Ltd, 1997

Chong King Hwa
Senior Engineering Manager
Boustead Salcon Water Solutions Pte Ltd, 2018

Solid Waste Energy Recovery

Woo Chew Fay
President Director
PT Boustead Maxitherm Industries, 1993

Real Estate Solutions

Thomas Chu
Managing Director
Boustead Projects Limited, 1997

Wong Yu Wei
Executive Director & Senior Deputy Managing Director
Boustead Projects Limited, 2009

Raymond Lum
Chief Operating Officer
Boustead Projects Limited, 2018

Lee Keen Meng
Chief Financial Officer
Boustead Projects Limited, 2009

Steven Koh
Deputy Managing Director (Operations)
Boustead Projects E&C Pte Ltd, 1999

Liew Kau Keen
Director (Business Development)
Boustead Projects E&C Pte Ltd, 2001

Howard How
Director (Environmental, Health & Safety)
Boustead Projects E&C Pte Ltd, 2007

Neo Eng Huat
Director (Audit & Improvement)
Boustead Projects E&C Pte Ltd, 2007

Nicholas Heng
Director (Projects)
Boustead Projects E&C Pte Ltd, 2007

Hogan Seah
Director (Operations)
Boustead Projects E&C Pte Ltd, 2017

Geospatial Technology

Esri Australia

Brett Bundock
Managing Director
Esri Australia Pty Ltd, 1988

Kaylee Holdsworth
Chief Financial Officer
Esri Australia Pty Ltd, 2006

Raquel Jackson
Chief Marketing Officer
Esri Australia Pty Ltd, 2011

Kelvin Langdon
Executive Manager – Operations
Esri Australia Pty Ltd, 2005

Jeffrey Robinson
Chief Information Officer & Executive Manager – Professional Services
Esri Australia Pty Ltd, 2011

Esri South Asia

Leslie Wong
Managing Director
Esri South Asia Pte Ltd, 2006

Esri Singapore

Thomas Pramotedham
Chief Executive Officer
Esri Singapore Pte Ltd, 2009

Esri Malaysia

Tan Choon Sang
Chief Executive Officer
Esri Malaysia Sdn Bhd, 2017

Esri Indonesia

Achmad Istamar
Chief Executive Officer
PT Esri Indonesia, 2016

Healthcare Technology

Goh Boon Seong
Chief Executive Officer
WhiteRock Incorporation Pte Ltd, 1999

Jason Jia
Deputy Chief Executive Officer – China
WhiteRock Incorporation Pte Ltd, 1996

Ang Eng Joo
Managing Director – South East Asia Rehab & Chief Technology Officer
WhiteRock Incorporation Pte Ltd, 1988

Tay Eng Hean
Managing Director – Sleep Health Management & WhiteRock Hong Kong
WhiteRock Incorporation Pte Ltd, 1999

STAKEHOLDER RELATIONS

Delivering Value to Shareholders

DIVIDENDS FOR FY2019

3.0¢*

DIVIDENDS OVER PAST DECADE

62.7¢**

MARKET CAPITALISATION AT END OF FY2019

S$389.5 million

GROWTH FROM S$0.46 SHARE PRICE ONE DECADE AGO

+283%***

SHARE BUYBACKS CONDUCTED OVER PAST DECADE

S$34.3 million

* *Includes proposed final dividend of 2.0 cents per share in cash/scrip for FY2019.*
** *Includes proposed final dividend of 2.0 cents per share in cash/scrip for FY2019 and distributions of dividend in specie.*
*** *Includes value of shareholding of Boustead Projects distributed as dividend in specie during FY2016, and dividends and share buybacks over past decade, for comparative review.*

Summary of FY2019 Investor Relations Activities

FACE-TO-FACE/TELECONFERENCE INVESTOR MEETINGS HOSTED

45

FY2018: 47

INVESTORS MET

382

FY2018: 87

INVESTOR CONFERENCES/ EVENTS ATTENDED

3

FY2018: 2

RESEARCH FIRMS PROVIDING COVERAGE

2

> CIMB Research
> Motley Fool Singapore

Stakeholder Communications

For more than a decade, investor relations ("IR") has been a key facet of Boustead's holistic communications with stakeholders. Our IR Team has proactively communicated with analysts, investors, the media and global financial community in an accurate, consistent, sincere, timely and transparent manner. During FY2019, with the launch of our inaugural Boustead FY2018 Longevity Report (Sustainability Report), we added yet another avenue of communications with stakeholders.

In FY2019, we met 382 investors at investor conferences, meetings and presentations to share our business strategies and financial performance. All our annual reports, company announcements and financial results announcements for the past five years, as well as substantial information that would be of interest to investors are available at **www.boustead.sg/investor_centre**.

During the year, CGS-CIMB Research provided research coverage on Boustead Projects. In addition, Motley Fool Singapore released special reports on both Boustead and Boustead Projects on its Stock Gold Advisor Platform, while Best Ideas 2019 featured in-depth analytical views on Boustead Projects.

We continued to actively engage with institutional and retail investors, presenting over a Value Invest Asia Facebook Live Interview and at the SGX-CGS-CIMB Construction & Infrastructure Day 2018 and SGX-Nomura Singapore Small-Mid Cap Corporate Day 2019.

In November 2018, our inaugural Boustead FY2018 Longevity Report was launched, presenting an in-depth understanding of how we ensure the longevity of our business and the wider ecosystem that that we are interconnected with. We also shared how this translates to delivering sustainable value and progress to our key stakeholders, along with the communities that we reside in and our collective home – Planet Earth.

At the Asia Sustainability Reporting Awards 2018 held in March 2019, both Boustead's and Boustead Projects' inaugural Longevity Reports were recognised by Asia's leading sustainability experts and named as Asia's Best First Time Sustainability Report Finalists. It was our deep honour to be recognised among Asia's best sustainability reporting heavyweights.

In addition, both Boustead's and Boustead Projects' FY2018 Annual Reports were also honoured with Platinum and Gold Awards respectively at the Hermes Creative Awards, the third consecutive year that both annual reports received either Platinum or Gold Awards.

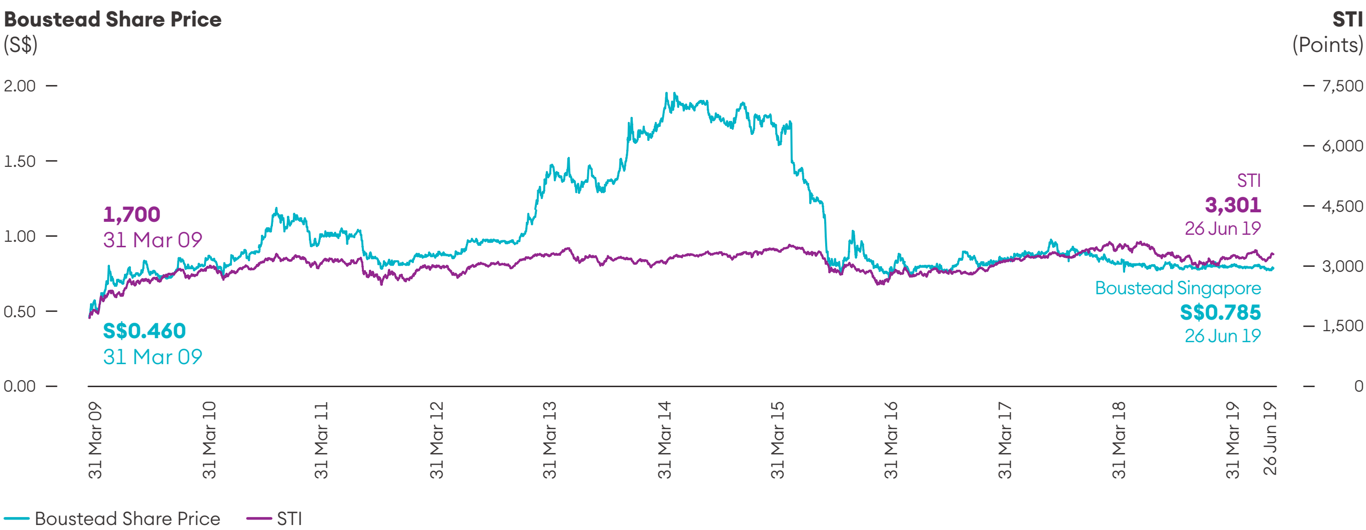
If you have any stakeholder queries, please e-mail us at **ir.team@boustead.sg**.

FY2019 Calendar	
Date	**Activity/Event**
Apr 2018	> SGX-CGS-CIMB Construction & Infrastructure Day 2018
May 2018	> FY2018 financial results announcement > FY2018 financial results webcast briefing
Jun 2018	> Value Invest Asia Facebook Live Interview: Future of Boustead Singapore and Boustead Projects
Jul 2018	> Release of FY2018 annual report > Annual general meeting > Extraordinary general meeting
Aug 2018	> 1Q FY2019 financial results announcement > FY2018 final dividend of 2 cents
Nov 2018	> 2Q FY2019 financial results announcement > Release of inaugural FY2018 longevity report
Dec 2018	> FY2019 interim dividend of 1 cent
Feb 2019	> 3Q FY2019 financial results announcement > SGX-Nomura Singapore Small-Mid Cap Corporate Day 2019
May 2019	> FY2019 financial results announcement

FY2020 Calendar****	
Date	**Activity/Event**
Jul 2019	> Release of FY2019 annual report > Annual general meeting > Extraordinary general meeting
Aug 2019	> 1Q FY2020 financial results announcement > Release of FY2019 longevity report
Sep 2019	> FY2019 final dividend of 2 cents in cash/scrip (proposed)
Nov 2019	> 2Q FY2020 financial results announcement
Feb 2020	> 3Q FY2020 financial results announcement
May 2020	> FY2020 financial results announcement

**** *Subject to change. Please check* **www.boustead.sg/investor_centre** *for the latest updates.*

Share Performance and STI Commentary



Opening FY2019 at S$0.810, Boustead's share price decreased by approximately 3% over the past 15 months, touching a high of S$0.835 on 31 July 2018 and closing at S$0.785 on 26 June 2019.

CORPORATE INFORMATION

Directors

Wong Fong Fui
Chairman &
Group Chief Executive Officer

Wong Yu Loon
Executive Director & Deputy Group
Chief Executive Officer

Loh Kai Keong
Non-Executive Director & Consultant

Dr Tan Khee Giap
Independent Non-Executive Director

Chong Ngien Cheong
Independent Non-Executive Director

Godfrey Ernest Scotchbrook
Independent Non-Executive Director

Audit & Risk Committee

Dr Tan Khee Giap
Chairman

Chong Ngien Cheong

Godfrey Ernest Scotchbrook

Loh Kai Keong

Nominating Committee

Chong Ngien Cheong
Chairman

Dr Tan Khee Giap

Wong Fong Fui

Remuneration Committee

Godfrey Ernest Scotchbrook
Chairman

Chong Ngien Cheong

Loh Kai Keong

Share Registrar

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Auditors

PricewaterhouseCoopers LLP
7 Straits View
Marina One East Tower
Level 12
Singapore 018936

Audit Partner: Kok Moi Lre
(Appointed: 26 July 2018)

Principal Bankers

United Overseas Bank Ltd

DBS Bank Ltd

Malayan Banking Bhd

The Hongkong and Shanghai Banking Corporation Ltd

Sumitomo Mitsui Banking Corporation

CIMB Bank Bhd

Place of Incorporation

Singapore

Date of Incorporation

18 June 1975

Company Secretary

Alvin Kok

Company Registration

197501036K

Registered Office

Boustead Singapore Limited
82 Ubi Avenue 4
#08-01 Edward Boustead Centre
Singapore 408832

Stock Exchange Listing

Singapore Exchange Securities Trading Ltd

FINANCIAL STATEMENTS

CONTENTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 March 2019 and the statement of financial position of the Company as at 31 March 2019.

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 89 to 196 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Wong Fong Fui	(Chairman, Group Chief Executive Officer)
Wong Yu Loon	
Loh Kai Keong	
Dr Tan Khee Giap	(Appointed on 28 June 2018)
Chong Ngien Cheong	
Godfrey Ernest Scotchbrook	

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.3.2019	**At 1.4.2018**	**At 31.3.2019**	**At 1.4.2018**
The Company – Boustead Singapore Limited				
(No. of ordinary shares)				
Wong Fong Fui	**-**	-	**177,871,829**	177,871,829
Loh Kai Keong	**500,633**	500,633	**-**	-
Chong Ngien Cheong	**400,000**	400,000	**23,376,203**	23,376,203
Godfrey Ernest Scotchbrook	**-**	-	**1,052,783**	1,052,783
Subsidiary Company – Boustead Projects Limited				
(No. of ordinary shares)				
Wong Fong Fui	**-**	-	**224,242,603**	224,242,603
Loh Kai Keong	**147,689**	183,189	**-**	-
Chong Ngien Cheong	**120,000**	120,000	**-**	-
Godfrey Ernest Scotchbrook	**-**	-	**315,834**	315,834

By virtue of Section 7 of the Singapore Companies Act, Mr Wong Fong Fui is deemed to have an interest in all the related corporations of the Company.

The directors' interests in the ordinary shares of the Company as at 21 April 2019 were the same as those as at 31 March 2019.

SHARE OPTIONS

No options were granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company under option at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that certain directors receive remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

AUDIT & RISK COMMITTEE

At the date of this statement, the Audit & Risk Committee comprises the following members, the majority of whom are independent non-executive directors:

Dr Tan Khee Giap (Chairman)
Chong Ngien Cheong
Godfrey Ernest Scotchbrook
Loh Kai Keong

The Audit & Risk Committee met 4 times during the year under review and carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee has reviewed the following:

(a) the audit plan of the external auditors and internal auditors and result of the internal auditors' examination and evaluation of the Group's system of internal accounting and operational controls;

(b) the Group's financial and operating results and accounting policies;

(c) the consolidated financial statements of the Group and the statement of financial position of the Company before their submission to the directors of the Company and the external auditors' report on those financial statements;

(d) the quarterly and full-year announcements on the consolidated financial statements of the Group and the changes in equity and financial position of the Company;

(e) the co-operation and assistance given by the management to the external auditors and internal auditors of the Company; and

(f) the independence and appointment/re-appointment of the external auditors of the Company.

The Audit & Risk Committee has full access to and has the co-operation of management. It has been given the resources required for it to discharge its function properly. The Audit & Risk Committee also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit & Risk Committee.

The Audit & Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

The external auditors annually carry out their statutory audits in accordance with the scope as laid out in their audit plans. Control observations noted during their audits and the auditors' recommendations are reported to the Audit & Risk Committee. The internal auditors follow up on the recommendations as part of their role in the review of the Group's internal control systems.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Wong Fong Fui
Director

Wong Yu Loon
Director

1 July 2019

CORPORATE GOVERNANCE

The Board of Directors of Boustead Singapore Limited (the "Board") is committed to maintaining a high standard of corporate governance and transparency within the Company and its subsidiaries (the "Group"), in line with the principles set out in the Code of Corporate Governance 2012 (the "Code"). This establishes and maintains a legal and ethical environment in the Group to preserve the interests of all shareholders and stakeholders.

The Board is pleased to present the Corporate Governance Report which outlines the Company's corporate governance practices with specific reference made to the principles and guidelines of the Code, which forms part of continuing obligations under the Listing Manual of the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST"). This Report should be read as a whole as other sections of this Report may also have an impact on the specific disclosures made in this Report.

Except where specifically stated, the Company has adopted all the best practice recommendations of the Code. Where there are deviations from the Code, appropriate explanations are provided within this Annual Report.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Board is accountable to shareholders and responsible for the overall management and long-term success of the Group. It approves the Group's strategic plans, key business initiatives, major investments and funding decisions. Additionally, the Board has direct responsibility for decision-making in respect of various specific matters, including:-

- approval of corporate strategies and policies;
- approval of the Group's annual operating and capital budgets;
- setting of the Group's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and duly met;
- determination of the Group's risk appetite and establishment and oversight of the processes of evaluating the adequacy of internal controls addressing financial, operational, compliance and information technology risks;
- review of sustainability issues, such as environmental and social factors, as part of its strategic formulation;
- oversight of the business affairs of the Group and monitoring of the performance of management;
- monitoring of financial performance, including approval for the release of financial results announcements;
- approval of the annual report and accounts;
- convening of shareholders' meetings;
- recommendations of dividend payments and other distributions to shareholders; and
- approval of material acquisition and disposal of assets.

All directors of the Company are aware of their duty to act objectively in the best interests of the Company at all times. The directors exercise independent judgment and due diligence when making decisions, for the benefit of the Company.

Additionally, independent directors of the Board deal with conflict of interest issues relating to directors and substantial shareholders and matters which require the Board's approval pursuant to the provisions of the Listing Manual of the SGX-ST or applicable laws and regulations.

To facilitate effective management, certain functions of the Board have been delegated by the Board to various board committees. The Board is assisted by the Audit & Risk Committee, the Nominating Committee and the Remuneration Committee, each of which has its own terms of reference.

The Board conducts a minimum of four scheduled meetings a year. This schedule is normally determined before the fourth quarter of each calendar year for the forthcoming financial year. Where necessary, additional Board meetings are also held to address significant transactions or issues that arise. A total of four formal Board meetings, four formal Audit & Risk Committee meetings, one formal Nominating Committee meeting and one formal Remuneration Committee meeting were held in the course of the year under review. Ad hoc meetings involving members of the Board are also held whenever the Board's guidance or approval is required, outside the scheduled Board meetings. Further to these, Board and Audit & Risk Committee members also held several informal discussions on various issues relating to corporate strategy and risk management.

CORPORATE GOVERNANCE

The attendance of the directors at Board and board committee meetings during the year under review were as follows:-

	Board		Audit & Risk Committee		Nominating Committee		Remuneration Committee	
Name of Director	**No. Held [(1)]**	**No. Attended**	**No. Held [(1)]**	**No. Attended**	**No. Held [(1)]**	**No. Attended**	**No. Held [(1)]**	**No. Attended**
Wong Fong Fui	4	4	-	-	1	1	-	-
Wong Yu Loon	4	4	-	-	-	-	-	-
Loh Kai Keong	4	4	4	4	-	-	1	1
Dr Tan Khee Giap[(2)]	3	3	3	3	1	1	-	-
Chong Ngien Cheong	4	4	4	4	1	1	1	1
Godfrey Ernest Scotchbrook	4	4	4	4	-	-	1	1
Goh Boon Seong[(3)]	1	1	1	1	-	-	1	1

(1) *This reflects the number of meetings held during the period the director was a member of the Board and/or relevant Committee.*

(2) *Dr Tan Khee Giap was appointed as a director on 28 June 2018.*

(3) *Mr Goh Boon Seong resigned as a director on 28 June 2018.*

The Company's Constitution allows Board meetings to be conducted by way of teleconference and video-conference. However, the directors prefer to meet in person as far as possible.

The Company has adopted internal guidelines governing matters that require the Board's approval. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to board committees and management under set limits of authority, which are reviewed on a regular basis and revised when necessary. The limits of authority provide a guideline and give clear directions on matters requiring the Board's or management's approval.

Approval from a majority of the Board is required for significant matters, such as investments and acquisition or divestment of assets of amounts above S$25 million. Executive directors also provide updates to the Board in relation to significant matters affecting subsidiaries of the Company.

The majority of the current members of the Board has been directors of the Company for at least five years and is familiar with its business operations and governance practices. All non-executive directors are welcome to request for additional explanations, briefings and informal discussions on any aspect of the Group's operations or business issues at all times.

The Company provides members of the Board with updates on board processes, governance practices and changes to laws and regulations that have a bearing either on the Group or on an individual director. Directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group or themselves and to attend appropriate training courses (arranged by the Company or initiated by the directors themselves) at the Company's expense.

The Company maintains a corporate membership with the Singapore Institute of Directors, which provide training and resources useful for the Company in keeping up to date with best practices in corporate governance. During the year under review, two of the directors attended at least one training session organised by the Singapore Institute of Directors.

A formal letter is provided to each director, upon his appointment, setting out the director's duties and obligations. Newly appointed directors are given an orientation and comprehensive briefings by management on the Group's businesses and operations. The Company will also ensure that new directors with no prior experience as a director of a listed company undergo training in the roles and responsibilities of a director of a listed issuer as prescribed under the Listing Manual of the SGX-ST.

CORPORATE GOVERNANCE

Principle 2: Board Composition and Guidance

Presently, the Board comprises six directors, three of whom are independent directors. The Board is of the view that the current board size is appropriate, taking into account the nature and scope of the Company's operations. The Board is also able to exercise objective judgement on corporate affairs independently, in particular, from the management of the Company.

The Board members as at the date of this report are:-

Wong Fong Fui (Chairman and Group Chief Executive Officer)
Wong Yu Loon (Executive Director and Deputy Group Chief Executive Officer)
Loh Kai Keong (Non-Executive Director)
Dr Tan Khee Giap (Independent Non-Executive Director)
Chong Ngien Cheong (Independent Non-Executive Director)
Godfrey Ernest Scotchbrook (Independent Non-Executive Director)

The Nominating Committee has reviewed the independence of each director in accordance with the Code's definition of independence and is satisfied that more than one-third of the Board continues to be independent directors. The Board comprises directors capable of exercising objective judgement on corporate affairs of the Company, independent of management.

The Nominating Committee considers an "independent" director as one who has no relationship with the Company or its related companies, its 10% shareholders or its officers or has any other situation that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgment with a view to the best interests of the Company and the Group.

Each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook has been an independent director of the Board for more than nine years. The Board, with the concurrence of the Nominating Committee, has rigorously reviewed the independence of each of them and is satisfied that each of them is independent in character and judgment, and found no evidence to indicate that the length of their respective service has in any way affected their respective independence. Given their respective wealth of business, working experience and professionalism in carrying out their duties, the Nominating Committee has found each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook suitable to act as independent directors. The Board has accepted the Nominating Committee's recommendation that each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook be considered independent. Each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook has abstained from deliberating on their respective independence and their nomination.

With three of the six directors deemed to be independent, the Board is able to exercise independent and objective judgment on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined, taking into consideration the long-term interests of the Company and its shareholders.

Directors are required to promptly disclose to the Board any relationship or change in circumstances which may lead to his status as an independent director being affected. If the Board determines that notwithstanding such relationship or circumstances, the director remains independent, the Board shall record its reasons for such determination in formal Board meeting minutes and formally disclose its reasons in the next Annual Report.

The Board reviews its composition from time to time and seeks to maintain a diversity of expertise, skills, gender, age, ethnicity and other attributes among the directors. The Board comprises businessmen with vast business or management experience, industry knowledge and strategic planning experience and includes professionals with financial, investment and business development backgrounds.

The Nominating Committee is of the view that the current Board comprises directors with a sufficiently wide range of skills, experience and expertise in operations, management, strategic planning and accounting and finance, who collectively ensure that the Board is equipped to deal with a wide range of issues to meet the Company's objectives. Also, no individual or group of individuals dominate the Board's decision-making.

The non-executive directors of the Company, three of whom are also independent, constructively challenge and assist in the development of proposals on strategy, and assist the Board in reviewing the performance of management in meeting agreed goals and objectives, and monitor the reporting of performance. At meetings of the Board, directors are free to discuss and openly challenge the views presented by management and other directors. The decision-making process is an objective one.

To facilitate a more effective check on management, non-executive directors hold meetings without the presence of management at least once a year. When necessary, non-executive directors also meet amongst themselves prior to Board meetings. The non-executive directors met once during the year under review without the presence of management.

Principle 3: Chairman and Chief Executive Officer

The Chairman of the Company, Mr Wong Fong Fui, is also the Group Chief Executive Officer ("CEO").

As Chairman, he is responsible for the workings of the Board, ensuring that Board meetings are held when necessary and sets the Board meeting agenda in consultation with the other executive director. He also reviews board papers before they are presented to the Board and ensures that information provided to Board members is adequate. During Board meetings, he ensures that Board members engage in constructive debate on strategic issues and business planning.

In his role as CEO, Mr Wong Fong Fui is the most senior executive in the Company and holds executive responsibility for the Company's business. He is assisted by Executive Director and Deputy Group Chief Executive Officer, Mr Wong Yu Loon, in the management of day-to-day operations. Whilst Mr Wong Yu Loon is the son of Mr Wong Fong Fui, half of the Board is made up of independent directors and the various board committees are chaired by and comprise a majority of independent directors. The Board has consistently demonstrated it is able to exercise independent decision-making. Because of this, the Board has not appointed a lead independent director to date. The Board is of the opinion that the role of Mr Wong Fong Fui as both the Chairman and CEO of the Company does not affect the independence of the Board.

The independent directors hold meetings without the presence of management when necessary and at least once a year.

Principle 4: Board Membership

Nominating Committee

The Nominating Committee comprises three directors, two of whom are independent. The members of the Nominating Committee as at the date of this report are:-

Chong Ngien Cheong, Chairman (Independent Non-Executive Director)
Dr Tan Khee Giap (Independent Non-Executive Director)
Wong Fong Fui

The Nominating Committee serves to provide a formal, transparent and objective procedure for appointing Board members and evaluating each Board member's performance. The principal functions of the Nominating Committee include:-

- reviewing and recommending candidates for appointments to the Board and board committees as well as candidates for senior management staff, who are not also candidates for appointment to the Board;
- reviewing of board succession plans for the directors, in particular, the Chairman and the Chief Executive Officer;
- developing a process for the evaluation of the performance of the Board, the board committees and the directors;
- reviewing of training and professional development programmes for the Board;
- reviewing and recommending nomination for re-appointment or re-election or renewal of appointment of the directors;
- reviewing and recommending candidates to be nominees on the boards and board committees of the listed company and entities within the Group;
- determining the independence of the directors on an annual basis and as and when circumstances require;
- reviewing the participation (whether by way of obtaining an interest in or taking a board seat or otherwise) by each independent director in any competing business and taking into account such matters in the re-appointment or re-election or renewal of appointment of such independent director; and
- undertaking generally such other functions and duties as may be required by law or the Listing Manual of the SGX-ST, and by amendments made thereto from time to time.

Where an existing director is required to retire from office, the Nominating Committee reviews the composition of the Board and takes into account factors such as that existing director's attendance, participation, contribution and competing time commitments when deciding whether to recommend that director for re-election.

CORPORATE GOVERNANCE

Pursuant to the Constitution of the Company, Mr Loh Kai Keong and Mr Chong Ngien Cheong shall be retiring at the Annual General Meeting to be held on 26 July 2019 ("2019 AGM"). At the recommendation of the Nominating Committee, they will be seeking re-election at the 2019 AGM.

The dates of initial appointment and last re-election of each of the directors, together with their directorships in other listed companies, are set out below:-

Name	Position	Date of Appointment	Date of Last Re-election	Current Directorships in Listed Companies	Past Directorships in Listed Companies (in last three years)
Wong Fong Fui	Chairman and Group Chief Executive Officer	15 April 1996	28 July 2016	-	-
Wong Yu Loon	Executive Director and Deputy Group Chief Executive Officer	2 April 2013	26 July 2018	-	-
Loh Kai Keong	Non-Executive Director	1 February 2005	27 July 2017	Shanghai Turbo Enterprises Ltd	-
Dr Tan Khee Giap	Independent Non-Executive Director	28 June 2018	26 July 2018	BreadTalk Group Limited TEE Land Limited Chengdu Rural Commercial Bank Co Ltd	Artivision Technologies Ltd Boustead Projects Limited
Chong Ngien Cheong	Independent Non-Executive Director	23 May 1996	27 July 2017	-	-
Godfrey Ernest Scotchbrook	Independent Non-Executive Director	21 September 2000	26 July 2018	Convenience Retail Asia Ltd Del Monte Pacific Limited	-

The Nominating Committee has reviewed the independence of each director in accordance with the Code's definition of independence and is satisfied that more than one-third of the Board continues to be independent directors. The Board comprises directors capable of exercising objective judgement on corporate affairs of the Company, independent of management.

One-third of directors who are longest-serving (other than the Managing Director or a director holding an equivalent position) are required to retire from office every year at the Annual General Meeting. Based on such a rotation process, each director is required to submit himself or herself for re-election by shareholders at least once every three years.

The Nominating Committee is required to consider annually whether directors who serve on multiple boards are able to commit the necessary time to discharge their responsibilities as directors of the Company. In performing its review, the Nominating Committee shall consider factors including:-

- the respective director's actual conduct on the Board;
- the assessment of the effectiveness of the individual director; and
- assessment of the time and attention given by each director to the affairs of the Company and the Group.

In view of the foregoing, the Nominating Committee has not determined a maximum number of listed company board appointments which any director may hold as the Nominating Committee has reviewed and is satisfied that all directors who sit on multiple boards have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as directors of the Company, notwithstanding their multiple board appointments.

The Board does not encourage the appointment of alternate directors. No alternate director has been appointed to the Board.

New directors are appointed by the Board after the Nominating Committee recommends their appointment. When the need for a new director arises, the Nominating Committee will review the expertise, skills and attributes of the Board, identify its needs and shortlist candidates with the appropriate profiles for nomination. The search may be through search companies, contacts and recommendations. The objective of this process is to ensure the Board collectively has the diversity, skills, knowledge and experience necessary to meet the needs of the Company.

Please see the relevant details as required to be disclosed pursuant to Rule 720(6) of the Listing Manual of the SGX-ST in the section "**Additional Information on Directors Seeking Re-election**" below.

Key information on the Company's directors are set out on pages 54 to 55 of the Annual Report.

Principle 5: Board Performance

The Nominating Committee reviews on an annual basis the composition and skills set of the Board to determine whether it is adequate and appropriate having regard to the nature and scope of the Company's operations and the costs involved.

The Nominating Committee assesses and makes recommendations to the Board as to whether retiring directors are suitable for re-election. It also carries out an annual evaluation of the Board with the aim of assessing how well the Board, its committees, the directors and the Chairman are performing. This formal evaluation process assesses the effectiveness of the Board as a whole. Assessment parameters include evaluation of the Board's composition, access to information, the quality of Board processes, accountability and the Board's performance in relation to discharging its principal responsibilities.

The Nominating Committee has conducted its evaluation of the Board in respect of the financial year ended 31 March 2019. No external facilitator was engaged for the purpose of this evaluation.

In view of the size and composition of the Board, the Board deems it unnecessary for the Nominating Committee to assess the effectiveness of each board committee.

The Nominating Committee is of the view that the primary aim of individual evaluation of each director is to assess whether each director continues to contribute effectively and demonstrate commitment to the role. This exercise is also to create a platform for the Board members to exchange feedback on the Board's strengths and shortcomings with a view to strengthening the effectiveness of the Board. The assessment exercise also assists the directors to focus on their key responsibilities. It also helps the Nominating Committee in determining whether to re-nominate directors who are due for retirement at the next annual general meeting, and in determining whether directors with multiple board appointments are able to and have adequately discharge their duties as directors of the Company.

Informal assessments of executive directors have been conducted during the year under review and relevant feedback has been given. The Nominating Committee will look into the feasibility of conducting formal assessments for individual directors for the coming financial year.

Following the review in FY2019, the Board is of the view that the Board and its Board committees operate effectively and each director is contributing to the overall effectiveness of the Board.

Principle 6: Access to Information

Management recognises that it is essential to provide complete, adequate information on Group affairs and material events and transactions in a timely and on-going basis to the Board to enable the Board to discharge its duties effectively and efficiently. Where a physical Board meeting is not possible, timely communication with members of the Board is effected through other means, e.g. electronic mail and teleconferencing. Alternatively, management will arrange to personally meet and brief each director before seeking the Board's approval on a particular issue. Any requests by directors for further explanation, briefings or informal discussions on any aspect of the Group's operations are always facilitated expeditiously.

Directors have unrestricted access to the Company's records and information. The Board is provided with management reports which include board papers and related materials containing relevant background or explanatory information, financial analysis and/or external reports required to support the decision-making process. The Board is also provided with management accounts of the Group's performance, position and prospects on a quarterly basis.

The Board has separate and independent access to the management team and the company secretary, as well as to all Board and board committee minutes, resolutions and information papers.

The company secretary attends all Board meetings and is responsible for ensuring that Board procedures are followed. The company secretary ensures good information flows within the Board and the board committees and between management and non-executive directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development as required. The company secretary, together with other management staff, is responsible for ensuring that the Company complies with applicable requirements, rules and regulations.

The appointment and the removal of the company secretary is subject to the approval of the Board.

Where the directors, whether individually or collectively, require independent professional advice in furtherance of their duties, management will assist in appointing a professional advisor to render the advice and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

The Remuneration Committee comprises three non-executive directors, two of whom are also independent. The members of the Remuneration Committee as at the date of this report are:-

Godfrey Ernest Scotchbrook, Chairman (Independent Non-Executive Director)
Chong Ngien Cheong (Independent Non-Executive Director)
Loh Kai Keong (Non-Executive Director)

The objectives of the Remuneration Committee are to provide a formal, transparent and objective procedure for fixing the remuneration packages of individual directors and senior management staff, and to implement and administer the Boustead Restricted Share Plan 2011.

The Remuneration Committee reviews and approves recommendations on remuneration policies and packages to attract, retain and motivate directors and senior management to exert their best efforts to work towards the growth of the Group, the protection and promotion of the interests of all shareholders and the interests of improved corporate performance. The review of remuneration packages takes into consideration the long term interests of the Group and ensures that the interests of the directors and senior management are aligned with those of shareholders. The review covers all aspects of remuneration, including but not limited to, salaries, fees, allowances, bonuses and benefits-in-kind. The Remuneration Committee has not appointed external remuneration consultants for the year under review but has had the benefit of relevant data from market surveys carried out by leading firms of compensation consultants.

The Remuneration Committee will determine the remuneration packages of the Chairman and the executive directors based on the performance of the Group and the individual director.

No member of the Remuneration Committee shall be involved in discussions concerning his own remuneration. The Remuneration Committee's recommendations are submitted to the Board for endorsement.

The Remuneration Committee reviews the Company's obligations arising in the event of termination of executive directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. Currently, there are no special termination clauses or exorbitant compensation.

Principle 8: Level and Mix of Remuneration

Executive directors do not receive directors' fees but are remunerated as members of management. The remuneration package of executive directors and key management personnel comprises a basic salary component and a variable component which is the annual bonus, based on the performance of the Group as a whole and their individual performance.

Complementing this are long-term incentives in the form of share awards that can be granted under the Boustead Restricted Share Plan 2011. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote the long-term sustainability of the Group. Such long-term incentives would give recognition to selected key employees and promote commitment, dedication and loyalty to the Group. There was no grant of share awards to eligible employees for the year under review.

Non-executive directors are paid directors' fees in accordance with their level of contributions, taking into account factors such as effort, time spent and responsibilities for serving on the Board and board committees, as well as the responsibilities and obligations of the directors. The directors' fees paid are in line with the non-executive directors' roles and responsibilities. The payment of fees to non-executive directors is subject to the approval of shareholders at each Annual General Meeting.

The Company does not currently have in place contractual provisions to allow the Company to reclaim incentive components of remuneration from executive directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.

Principle 9: Disclosure on Remuneration

The remuneration of the directors and the top five key executives (executives who are not directors) in bands of S$250,000, are set out below:-

Remuneration of Directors for the year ended 31 March 2019

Name of Director	Salary	Bonus	Directors' Fee	Other Benefits	Total
S$500,000 to S$749,999					
Wong Fong Fui	43%	51%	-	6%	100%
S$250,000 to S$499,999					
Wong Yu Loon	70%	23%	-	7%	100%
Below S$100,000					
Loh Kai Keong	-	-	100%	-	100%
Dr Tan Khee Giap[1]	-	-	100%	-	100%
Chong Ngien Cheong	-	-	100%	-	100%
Godfrey Ernest Scotchbrook	-	-	100%	-	100%
Goh Boon Seong[2]	-	-	100%	-	100%

(1) *Dr Tan Khee Giap was appointed as a director on 28 June 2018.*

(2) *Mr Goh Boon Seong resigned as a director on 28 June 2018.*

Remuneration of key executives for the year ended 31 March 2019

Name of Executive	Salary	Bonus	Fees	Other Benefits	Total
S$1,000,000 to S$1,249,999					
Chu Kok Hong @ Choo Kok Hong	44%	38%	-	18%	100%
Brett John Bundock	52%	40%	-	8%	100%
S$500,000 to S$749,999					
Wong Yu Wei	48%	33%	-	19%	100%
Steven Koh Boon Teik	45%	36%	-	19%	100%
Lee Keen Meng	47%	33%	-	20%	100%

The total remuneration paid to the above five key executives for the financial year ended 31 March 2019 was approximately S$3,843,000.

Although the Code recommends the full disclosure of the remuneration of each individual director and the top five key management personnel, the Board believes that disclosure in such detail may be prejudicial to the business interests of the Group given the highly competitive environment it is operating in as well as competitive pressures in the talent market.

Save as disclosed in this report, there are no termination, retirement and post-employment benefits granted to directors, the Chief Executive Officer or key management personnel.

Two employees of the Group, Mr Wong Yu Loon and Mr Wong Yu Wei, who are sons of Mr Wong Fong Fui, Chairman and Group Chief Executive Officer, received remuneration exceeding S$50,000 for the year ended 31 March 2019. As details of their remuneration have been provided under the disclosure of the remuneration of directors and key executives above, the Board has decided not to further disclose their remuneration in incremental bands of S$50,000. Other than this, none of the directors had immediate family members who were employees of the Group and whose personal remuneration exceeded S$50,000 during the year.

The Boustead Restricted Share Plan 2011 (the “2011 Share Plan”) was approved by the members of the Company at its Extraordinary General Meeting on 13 October 2011. Under the 2011 Share Plan, all deserving executive employees and non-executive directors of the Company as well as associates of controlling shareholders separately approved by independent members of the Company are eligible to participate in the 2011 Share Plan at the discretion of the committee duly authorised by the Board. The scheme is administered by the Remuneration Committee. Further information on the 2011 Share Plan can be found on pages 169 and 170 of the Annual Report.

The remuneration of executive directors and key executives is linked directly to the Group’s financial performance through a profit sharing formula, as well as individual key performance indicators.

The remuneration policy for staff adopted by the Group comprises a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable performance bonus that is linked to corporate performance and individual performance, and supplemented by the 2011 Share Plan, under which share awards are granted based on the achievement of additional specific key performance indicators.

For the financial year ended 31 March 2019, all executive directors were entitled to receive the incentive bonuses under their respective service agreements according to the performance conditions met.

No director is involved in determining his own remuneration. The remuneration of the non-executive directors is in the form of a fixed fee.

The directors’ fees, as a lump sum, is subject to approval by shareholders of the Company at Annual General Meetings.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board aims to present a balanced and comprehensive assessment of the Group's performance, financial position and prospects to shareholders through timely release of quarterly financial results through announcements via SGXNET and the Company's corporate website.

In compliance with Listing Manual of the SGX-ST, the Board provides a negative assurance statement to the shareholders in its quarterly financial statements announcements, confirming to the best of its knowledge that nothing has come to the attention of the Board which might render the financial statements false or misleading in any material aspect.

All of the directors and executive officers of the Group have also given undertakings to comply with the rules of the Listing Manual of the SGX-ST.

For the financial year under review, the Chief Executive Officer and the Director of Group Finance have provided assurance to the Board on the integrity of the Group's financial statements.

The Board also provides an opinion on the adequacy and effectiveness of the Group's risk management and internal controls systems in place, including financial, operational, compliance and information technology controls.

Management provides the Board with management accounts and related financial information and updates on a timely basis in order that the Board may effectively discharge its duties and make a balanced and informed assessment of the Company's performance, financial position and prospects.

Principle 11: Risk Management and Internal Controls

The Board is responsible for the governance of risk and determines the Company's levels of risk tolerance and risk polices. The Board ensures that management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and to manage risks. The system is intended to provide reasonable but not absolute assurance against material misstatements or loss, and to safeguard assets and ensure maintenance of proper accounting records, reliability of financial information, compliance with relevant legislations, regulations and best practices, and the identification and containment of business risks. The effectiveness of the risk management and internal control systems and procedures is monitored and reviewed by the Audit & Risk Committee.

The Board, aided by the Audit & Risk Committee, regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as taking appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the Audit & Risk Committee and the Board. The financial risk management objectives and policies are outlined in the financial statements. Risk management alone does not guarantee that business undertakings will not fail. However, by identifying and managing risks that may arise, the Board is in a position to make more informed decisions and benefit from a better balance between risk and reward. This will assist in safeguarding and creating shareholder value.

An Enterprise Risk Management framework is in place to formalise and document the Group's internal processes to enable significant strategic, financial, operational, compliance and IT risks within the relevant Group companies to be identified, assessed, monitored, managed and evaluated. Management continues to regularly review the risk awareness with the objective of assigning clear accountability and ownership of risks at the operating level to manage risks and highlighting any emerging or material risks to the Board. Strong emphasis is placed on creating risk awareness, promoting accountability and setting the appropriate tone at the top.

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the Audit & Risk Committee. Reviews of the Group's risk are conducted every quarter during the Audit & Risk Committee meetings and an overall assessment is also conducted at the end of each financial year.

Based on the internal controls established and maintained by the Group, the work performed by the external auditors and the reviews conducted by management and the Internal Audit Department, the Board, with the concurrence of the Audit & Risk Committee, is of the opinion that the Group's risk management and internal controls systems were adequate and effective to address financial, operational, compliance and information technology risks as at 31 March 2019.

In addition, the Audit & Risk Committee and the Board have received assurance from the Group Chief Executive Officer and the Group Chief Financial Officer that as of 31 March 2019:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the Group's risk management and internal control systems to address the key financial, operational, compliance and information technology risks affecting the operations are adequate and effective to meet the needs of the Group in its current business environment.

Principle 12: Audit & Risk Committee

The Audit & Risk Committee comprises of four non-executive directors, three of whom are also independent. The members of the Audit & Risk Committee as at the date of this report are:-

Dr Tan Khee Giap, Chairman (Independent Non-Executive Director)
Chong Ngien Cheong (Independent Non-Executive Director)
Godfrey Ernest Scotchbrook (Independent Non-Executive Director)
Loh Kai Keong (Non-Executive Director)

The principal functions of the Audit & Risk Committee include:-

- overseeing the adequacy of the controls established by management to identify and manage areas of potential risk and to safeguard the assets of the Company;
- evaluating the processes in place to ensure that accounting records are properly maintained in accordance with statutory requirements and financial information provided to shareholders and the directors is accurate and reliable;
- reviewing the significant financial reporting issues and judgments so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- reviewing the audit plans with external and internal auditors and reporting to the Board at least annually on the results of the internal auditors' examination and evaluation of the adequacy and effectiveness of the internal control system, including financial, operational, compliance and information technology controls (such review may be carried out internally or with the assistance of competent third parties);
- reviewing with internal auditors, the programme, scope and results of the internal audit and management's response to their findings to ensure that appropriate follow-up measures are taken;
- reviewing the effectiveness of the Group's internal audit function;
- reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors;
- reviewing with external auditors the impact of any new or proposed changes in accounting principles or regulatory requirements on the Company's financial information;
- making recommendations to the directors on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- reviewing interested person transactions or other transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the regulations of the SGX-ST, and are reasonable and in the best interests of the Company;
- monitoring investments in customers, suppliers and competitors made by the directors, controlling shareholders and their respective associates who are involved in the management of or have shareholding interests in similar or related business of the Company and making assessments on whether there are any potential conflicts of interests;
- reviewing filings with the SGX-ST or other regulatory bodies which contain financial information and ensuring proper disclosure;
- commissioning and reviewing the findings of internal investigations into matters where there is any suspected fraud, irregularity, failure of internal controls or infringement of any law, rule and regulation which has or is likely to have a material impact on the Company's operating results and/or financial position;
- reviewing policy and arrangements by which the staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensuring that arrangements are in place for such concerns to be raised and independently investigated, and for appropriate follow-up action to be taken;

- reviewing risk management structure (including all hedging policies) and any oversight of risk management processes and activities to mitigate and manage risk at acceptable levels determined by the directors;
- reporting to the Board the work performed by the Audit & Risk Committee in carrying out its functions;
- reviewing the cooperation given by management to the external auditors; and
- performing any other act as delegated by the Board.

The Audit & Risk Committee has full access to and has the cooperation of management. It is given access to reasonable resources required for it to discharge its functions properly. The Audit & Risk Committee also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit & Risk Committee.

Members of the Audit & Risk Committee have relevant accounting or related financial management expertise or experience.

The Audit & Risk Committee is kept abreast by management and the external auditors of changes to accounting standards, the Listing Manual of the SGX-ST and other regulations which could have an impact on the Group's businesses and financial statements.

Members of the Audit & Risk Committee also keep themselves updated through relevant publications and by attending relevant seminars and courses.

The Audit & Risk Committee meets at least once a year with the external auditors and internal auditors without the presence of management.

None of the members of the Audit & Risk Committee are an existing or a former partner or director of the Company's current auditing firm or auditing corporation.

The Audit & Risk Committee has reviewed the Group's audited consolidated financial statements for the financial year ended 31 March 2019 and discussed with management and the external auditors the significant matters which involved management judgment:-

Significant matters	**How the Audit & Risk Committee reviewed these matters and what decisions were made**
Revenue recognition of Design-and-Build contracts under the Real Estate Solutions segment	The Audit & Risk Committee reviewed the revenue recognition of Design-and-Build contracts under the Real Estate Solutions segment and considered management's judgments, assumptions and methodologies used and found them to be reasonable. The revenue recognition of Design-and-Build contracts under the Real Estate Solutions segment was also an area of focus for the external auditors. The external auditors have included this item as a key audit matter in their audit report for the financial year ended 31 March 2019. Refer to page 86 of this Annual Report.

The Audit & Risk Committee has undertaken a review of the nature and value of non-audit services provided to the Group by the external auditors during the financial year and is satisfied that the independence of the external auditors has not been impaired by the provision of these services. The breakdown of their fees for audit and non-audit services is found on Note 7 to the financial statements on page 134.

The Company has complied with Rule 712 and Rule 715 read together with Rule 716 of the Listing Manual of the SGX-ST in relation to the appointment of auditing firms.

Whistle-blowing Policy

The Group is committed to a high standard of ethical conduct and has in place a whistle-blowing policy and arrangements by which employees of the Group and third parties are provided with accessible channels to report and to raise, in good faith and in confidence, any concerns about possible improprieties in matters of financial reporting or suspected fraud, corruption, dishonest practices or other misdemeanours.

The objective of the whistle-blowing policy is to facilitate independent investigation of such matters and appropriate follow-up actions.

The whistle-blowing policy, endorsed by the Audit & Risk Committee, provides the mechanisms through which employees of the Group may, in good faith and in confidence, raise concerns or observations about possible corporate malpractices and improprieties in financial reporting or other matters directly to (i) a member of the Audit & Risk Committee, (ii) the Senior Vice-President - Internal Audit or (iii) the Senior Vice-President – Group Human Resources. Details of the whistle-blowing policies and arrangements have been communicated to all employees. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action, and provides assurance that employees will be protected from reprisal within the limits of the law. The Senior Vice-President - Internal Audit is required to report to the Audit & Risk Committee if management receives any whistle blowing case.

The Group has zero tolerance for corruption and bribery.

There were no reported incidents pertaining to whistle-blowing during the year under review.

Principle 13: Internal Audit

The Audit & Risk Committee oversees the implementation of an effective system of internal controls as well as putting in place a risk management framework to continually identify, evaluate and manage significant business risks of the Group. The Internal Audit Department supports the Audit & Risk Committee in this regard.

The Internal Audit Department, headed by the Senior Vice-President - Internal Audit, identifies, analyses and manages the risks incurred by the Group in its activities and promotes continuous improvement to the Group's operations. As far as practicable, all major operating entities are closely examined at least once every year by the Internal Audit Department, which reports to the Chairman of the Audit & Risk Committee on any material non-compliance and internal control weaknesses.

The Internal Audit Department has unrestricted access to all documents, records, properties, and personnel of the Group and unrestricted direct access to the Audit & Risk Committee in carrying out its duties and responsibilities. The Senior Vice-President - Internal Audit reports to the Chairman of the Audit & Risk Committee and his performance and compensation is reviewed by the Audit & Risk Committee.

Annually, the Audit & Risk Committee reviews and approves audit plans and resource requirements prepared by the Internal Audit Department and ensures that the internal audit function is able to effectively and adequately discharge its duties. The Audit & Risk Committee is satisfied that the internal audit function is adequately resourced and the Senior Vice-President - Internal Audit is a senior member of management who has appropriate standing within the Group.

The Audit & Risk Committee is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant experience. External experts may be engaged to augment the capabilities of the Internal Audit Department as when and where required.

The audit work carried out by the Internal Audit Department is in accordance with the International Standards for the Professional Practice of Internal Auditing (IIA Standards) laid down in the International Professional Practices Framework issued by The Institute of Internal Auditors.

The Audit & Risk Committee reviews the adequacy and effectiveness of the Group's internal audit function on an annual basis and is satisfied with its adequacy and effectiveness.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all shareholders are treated fairly and equitably and information is communicated to shareholders on a timely basis through annual reports, quarterly financial results and announcements of significant transactions that are released on SGXNET. Shareholders are also able to access investor-related information of the Group through a well-maintained and updated corporate website at **www.boustead.sg**.

The annual report is available for download from the Company's website and upon request, hardcopies of the annual report are sent to shareholders. The Notice of Annual General Meeting is sent to every shareholder and is also published in the press.

The Company ensures that shareholders have the opportunity to participate effectively and vote at general meetings of shareholders and be informed of the rules, including voting procedures that govern such meetings.

The Constitution of the Company allows each shareholder to appoint up to two proxies to attend and vote at general meetings on his/her behalf, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act). A relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and the Central Provident Fund ("CPF") Board which purchases shares on behalf of CPF investors.

Principle 15: Communication with Shareholders

The Company has a dedicated Investor Relations team focused on facilitating communications with all stakeholders – shareholders, analysts and media – on a regular basis, to attend to their queries or concerns as well as to keep the investing public apprised of the Group's corporate developments and financial performance.

All material information on the performance and development of the Group and of the Company is disclosed in a timely, accurate and comprehensive manner through SGXNET, press releases and the Company's website. The Company does not practice selective disclosure of material information. All materials on the quarterly and full year financial results are available on the Company's website.

The Investor Relations team also holds separate briefing sessions for long-term shareholders, as well as newer shareholders.

To enable shareholders to contact the Company easily, the contact details of the Investor Relations personnel are set out in the Company's announcements as well as on the Company's website. The Investor Relations personnel have procedures in place for responding to investors' queries as soon as applicable.

Every quarterly financial results announcement of the Company is accompanied by a press release in English.

For details on the Group's Investor Relations activities, please refer to pages 58 to 59 of this Annual Report.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Group's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the directors may deem appropriate. Notwithstanding this, the Company has been declaring dividends on a half-yearly basis.

Principle 16: Conduct of Shareholder Meetings

Shareholders are encouraged to participate effectively and vote at general meetings, where relevant rules and procedures governing such meetings are clearly communicated.

If shareholders are unable to attend the meetings, the Company's Constitution allows all shareholders to appoint up to two proxies to attend the general meetings and to vote on their behalf through proxy forms sent in advance.

Separate resolutions are proposed on each substantially separate issue at the general meetings. All resolutions at general meetings are single item resolutions.

Shareholders are also given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed. The Board and senior management are present at each general meeting to respond to any questions from shareholders. The Group's external auditors are also present to address queries regarding the conduct of the audit and the preparation and content of the auditors' report.

The company secretary prepares minutes of general meetings, which incorporate substantial comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and management. The minutes are available to shareholders upon request.

All resolutions at general meetings of the Company will be voted by poll as required by Rule 730A(2) of the Listing Manual of the SGX-ST.

The Company has conducted the voting of all its resolutions at all of its annual general meetings and extraordinary general meetings since 2016 by employing electronic poll voting. The detailed results of the electronic poll voting on each resolution tabled at the general meetings, including the total number of votes cast for or against each resolution tabled, are announced immediately at the general meetings and via SGXNET thereafter.

DEALINGS IN SECURITIES

All directors and officers of the Company and the Group are not allowed to deal in the Company's shares on short-term considerations and whilst in possession of unpublished price sensitive information. The Company, its directors and officers, including employees who have access to price-sensitive information are expected to comply which the Securities and Futures Act (Cap. 289) and observe laws against insider trading at all times.

In the course of doing business for the Company and the Group or in discussions with customers, vendors, or partners, directors and officers of the Company and the Group may become aware of material non-public information about that organisation. Information is considered material if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to trade in the public securities of the Company. The discussion of this information is on a limited, "need to know" basis internally, and is not shared with anyone outside the Company or the Group. Directors and officers are not allowed to buy or sell the public securities of the affected organisations, including the Company, on the basis of such information, nor can this information be shared with others.

Dealing in the Company's shares is also prohibited during the period commencing two weeks before the announcement of the Group's results for each of the first three quarters of the financial year and during the period commencing one month before the announcement of the Group's annual results, and ending on the date of the relevant announcement.

MATERIAL CONTRACTS

Since the end of the previous financial year, no material contracts involving the interest of the Chief Executive Officer, each director or controlling shareholder of the Company has been entered into by the Company or any of its subsidiaries, and no such contract subsisted as at 31 March 2019.

INTERESTED PERSON TRANSACTIONS

All transactions with interested persons must be at arm's length and reviewed by the Audit & Risk Committee.

For the financial year ended 31 March 2019, the Group did not enter into any transaction that would be regarded as an interested person transaction pursuant to the Listing Manual of the SGX-ST.

Additional Information on Directors Seeking Re-election Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST

Mr Loh Kai Keong and Mr Chong Ngien Cheong are the Directors seeking re-election at the forthcoming AGM to be held on 26 July 2019 (collectively, the "**Retiring Directors**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:-

Name of Director	**Loh Kai Keong**	**Chong Ngien Cheong**
Date of Appointment	1 February 2005	23 May 1996
Date of last re-appointment (if applicable)	27 July 2017	27 July 2017
Age	66	67
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the work experience and suitability of Mr Loh Kai Keong for re-appointment as the Non-Executive Director of the Company. The Board has concluded that Mr Loh Kai Keong possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the work experience and suitability of Mr Chong Ngien Cheong for re-appointment as the Non-Executive Director of the Company. The Board has concluded that Mr Chong Ngien Cheong possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director, member of the Audit & Risk Committee and member of the Remuneration Committee.	Independent Non-Executive Director, Chairman of the Nominating Committee, member of the Audit & Risk Committee and member of the Remuneration Committee.
Professional qualifications	Bachelor of Accounting, University of Singapore Chartered Accountant of Singapore Associate, Chartered Institute of Secretaries	Bachelor of Commerce, Nanyang University
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Brother-in-law of Mr Wong Fong Fui, Chairman, Group Chief Executive Officer and Substantial Shareholder of the Company
Conflict of interests (including any competing business)	Nil	Nil

CORPORATE GOVERNANCE

Name of Director	Loh Kai Keong	Chong Ngien Cheong
Working experience and occupation(s) during the past 10 years	Apr 2002 to Jan 2018 Group Chief Financial Officer of the Company Feb 2005 to Jan 2018 Executive Director of the Company Apr 2019 to present Independent Non-Executive Director of Shanghai Turbo Enterprises Ltd	May 1996 to present Independent Non-Executive Director of the Company Nov 1973 to present Director of Sang Chun Holdings Pte Ltd
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) or Appendix 7H (Catalist Rule 704(6))	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	Yes	Yes
Shareholding Details	The Company Direct interest of 500,633 ordinary shares Boustead Projects Limited Direct interest of 147,689 ordinary shares	The Company Direct interest of 400,000 ordinary shares Indirect interest of 23,376,203 ordinary shares Boustead Projects Limited Direct interest of 120,000 ordinary shares
Other Principal Commitments (as defined in the Code) including directorships – Past (for the last 5 years)	Nil	Director of Sang Chun Holdings Pte Ltd
Other Principal Commitments (as defined in the Code) including directorships – Present	Independent Non-Executive Director of Shanghai Turbo Enterprises Ltd	Director of Sang Chun Holdings Pte Ltd

CORPORATE GOVERNANCE

Name of Director		Loh Kai Keong	Chong Ngien Cheong
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.			
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c)	Whether there is any unsatisfied judgement against him?	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

Name of Director	Loh Kai Keong	Chong Ngien Cheong
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-		
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Disclosure applicable to the appointment of Director only.		
Any prior experience as a director of an issuer listed on the Exchange?	N.A.	N.A.
If yes, please provide details of prior experience.	N.A.	N.A.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	N.A.	N.A.
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	N.A.	N.A.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOUSTEAD SINGAPORE LIMITED

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Boustead Singapore Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated income statement of the Group for the financial year ended 31 March 2019;
- the consolidated statement of comprehensive income of the Group for financial the year then ended;
- the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 March 2019;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 March 2019 ("reporting date"). These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition of Design-and-Build contracts under Real estate solutions segment Refer to Note 3 (Critical accounting estimates, assumptions and judgements) and Note 4 (Revenue) to the financial statements During the financial year ended 31 March 2019, revenue from Design-and-Build contracts amounted to $205,061,000 and it represented 44% of the total revenue of the Group. Revenue from Design-and-Build contracts are recognised over time by reference to the progress towards satisfaction of performance obligations under the contracts. Measurement of progress of the projects at the reporting date is based on the proportion of contract costs incurred to-date over the estimated total contact costs. Revenue from Design-and-Build contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable customers. Significant judgement is required to estimate the total contract costs which affected the measurement of progress of the projects at the reporting date and accordingly revenue recognised. Significant judgement is also required to estimate the variations or claims and provision for liquidated damages recognised within revenue from these contracts. Accordingly, we have assessed revenue recognition from Design-and-Build contracts as a Key Audit Matter.	We have performed the following audit procedures to address the Key Audit Matter: We have obtained an understanding of the projects in progress at reporting date through discussions with management and examination of documents such as contracts and correspondences with customers. In relation to total contract revenue, our audit procedures include the following: a. Traced the total contract sums to contracts and agreed variation orders; and b. Assessed the progress of construction against contractual timeline for delays and need for provision for liquidated damages. In relation to total contract costs, our audit procedures include the following: a. Selected samples of costs incurred and traced to supplier invoices and sub-contractors' billings; and b. Selected samples of projects in progress at the reporting date and tested estimation of cost-to-complete by tracing to quotations and/or contracts with sub-contractors and suppliers. In relation to the revenue recognised for projects in progress at the reporting date, we have: a. Recomputed the measurement of progress based on the proportion of contract costs incurred to-date to the estimated total contract costs; and b. Recomputed the revenue for the current financial year based on the measurement of progress and traced to the accounting records. Based on the audit procedures performed, we have assessed management estimation of the revenue on Design-and-Build contracts to be reasonable. We have also assessed the disclosures in the financial statements in relation to the sensitivity of estimations on revenue and costs on Design-and-Build contracts to be appropriate.

Other Information

Management is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Kok Moi Lre.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 1 July 2019

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	2019 $'000	2018 $'000
Revenue	4	**470,646**	385,106
Cost of sales	7	**(316,265)**	(237,638)
Gross profit		**154,381**	147,468
Other income	5	**8,281**	6,081
Other gains/(losses) - net	6	**8,847**	(4,294)
Impairment loss on financial assets	39(b)	**(1,327)**	(214)
Expenses			
- Selling and distribution	7	**(35,644)**	(33,255)
- Administrative	7	**(68,401)**	(61,233)
- Finance	9	**(2,338)**	(2,014)
Share of (loss)/profit of associated companies and joint ventures	10	**(1,442)**	3,112
Profit before income tax		**62,357**	55,651
Income tax expense	11	**(12,778)**	(13,492)
Total profit		**49,579**	42,159
Profit attributable to:			
Equity holders of the Company		**32,519**	26,322
Non-controlling interests		**17,060**	15,837
		49,579	42,159
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
Basic earnings per share	12	**6.60**	5.06
Diluted earnings per share	12	**6.58**	4.96

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	2019 $'000	2018 $'000
Total profit		**49,579**	42,159
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
Financial assets, at FVOCI/Available-for-sale financial assets			
- Fair value gains/(losses) – debt instruments	21, 34	**316**	(191)
- Fair value gains – equity investments	21, 34	**-**	241
- Reclassification to profit or loss on disposal	21, 34	**(347)**	(736)
Cash flow hedges			
- Fair value losses	34	**(17)**	-
Currency translation differences arising from consolidation	34	**(3,101)**	2,469
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of retirement benefit obligation, net of tax		**(510)**	(142)
Financial assets, at FVOCI			
- Fair value gains – equity investments	21, 34	**231**	-
Non-controlling interests' share of currency translation differences arising from consolidation		**(382)**	491
Other comprehensive (loss)/income, net of tax		**(3,810)**	2,132
Total comprehensive income		**45,769**	44,291
Total comprehensive income attributable to:			
Equity holders of the Company		**28,985**	27,960
Non-controlling interests		**16,784**	16,331
		45,769	44,291

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION – GROUP AND COMPANY

AS AT 31 MARCH 2019

		Group			Company		
		31 March		1 April	31 March		1 April
	Note	2019 $'000	2018 $'000	2017 $'000	2019 $'000	2018 $'000	2017 $'000
ASSETS							
Current assets							
Cash and cash equivalents	13	**246,861**	265,382	276,499	**41,179**	58,097	68,584
Trade receivables	14	**96,034**	89,735	97,611	**-**	-	-
Other receivables and prepayments	15	**67,316**	52,374	65,016	**4,791**	529	6,183
Financial assets held for trading	16	**-**	987	994	**-**	987	994
Loans to subsidiaries	17	**-**	-	-	**29,965**	19,403	15,237
Inventories	18	**3,568**	1,134	4,370	**-**	-	-
Properties held for sale	19	**26,670**	30,730	30,612	**-**	-	-
Contract assets	4(b)	**103,474**	44,345	37,171	**-**	-	-
Investment securities	21	**15,811**	-	-	**15,811**	-	-
Available-for-sale financial assets	20	**-**	20,381	250	**-**	20,381	250
Derivative financial instruments	31	**234**	-	-	**-**	-	-
		559,968	505,068	512,523	**91,746**	99,397	91,248
Non-current assets							
Trade receivables	14	**11,212**	4,619	-	**-**	-	-
Other receivables and prepayments	15	**5,759**	3,127	6,577	**2,915**	-	-
Contract assets	4(b)	**2,657**	5,274	2,526	**-**	-	-
Investment securities	21	**44,544**	-	-	**8,018**	-	-
Available-for-sale financial assets	20	**-**	38,565	65,903	**-**	17,646	45,384
Property, plant and equipment	22	**17,221**	11,830	11,699	**-**	-	-
Investment properties	23	**182,118**	128,827	134,796	**-**	-	-
Intangible assets	24	**2,137**	737	992	**30**	74	74
Investments in associated companies	25	**12,875**	588	-	**-**	-	-
Investments in joint ventures	26	**40,673**	37,148	32,354	**-**	-	-
Investments in subsidiaries	27	**-**	-	-	**85,595**	72,197	76,965
Deferred income tax assets	28	**5,165**	1,625	1,926	**-**	-	-
		324,361	232,340	256,773	**96,558**	89,917	122,423
Total assets		**884,329**	737,408	769,296	**188,304**	189,314	213,671
LIABILITIES							
Current liabilities							
Trade and other payables	29	**167,791**	155,696	160,621	**977**	1,049	1,098
Income tax payable	11	**13,133**	13,526	12,946	**-**	-	-
Loans from subsidiaries	17	**-**	-	-	**60,420**	48,475	46,097
Contract liabilities	4(b)	**58,981**	42,507	46,589	**-**	-	-
Borrowings	30	**67,840**	5,095	18,295	**-**	-	-
Derivative financial instruments	31	**303**	625	653	**272**	280	653
		308,048	217,449	239,104	**61,669**	49,804	47,848
Non-current liabilities							
Trade and other payables	29	**6,158**	4,093	5,891	**-**	-	-
Contract liabilities	4(b)	**1,134**	1,003	996	**-**	-	-
Borrowings	30	**79,757**	65,409	70,059	**-**	-	-
Pension liability	32	**2,831**	2,662	2,936	**-**	-	-
Deferred income tax liabilities	28	**4,051**	3,784	3,204	**-**	-	-
		93,931	76,951	83,086	**-**	-	-
Total liabilities		**401,979**	294,400	322,190	**61,669**	49,804	47,848
NET ASSETS		**482,350**	443,008	447,106	**126,635**	139,510	165,823
EQUITY							
Capital and reserves attributable to equity holders of the Company							
Share capital	33	**70,758**	104,555	104,555	**70,758**	104,555	104,555
Treasury shares	33	**(1,488)**	(35,285)	(13,048)	**(1,488)**	(35,285)	(13,048)
Other reserves	34	**(6,955)**	(9,304)	(6,811)	**2,142**	2,727	3,539
Retained profits	35	**273,828**	256,411	239,415	**55,223**	67,513	70,777
		336,143	316,377	324,111	**126,635**	139,510	165,823
Non-controlling interests	27	**146,207**	126,631	122,995	**-**	-	-
Total equity		**482,350**	443,008	447,106	**126,635**	139,510	165,823

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

		← Attributable to equity holders of the Company →						
		Share capital	Treasury shares	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2019								
Balance as at 31 March 2018, as previously reported		**104,555**	**(35,285)**	**(30,263)**	**274,277**	**313,284**	**126,217**	**439,501**
Adoption of SFRS(I) 1	2.2	**-**	**-**	**20,959**	**(20,959)**	**-**	**-**	**-**
Adoption of SFRS(I) 15	2.2	**-**	**-**	**-**	**3,093**	**3,093**	**414**	**3,507**
Balance as at 31 March 2018, as restated		**104,555**	**(35,285)**	**(9,304)**	**256,411**	**316,377**	**126,631**	**443,008**
Adoption of SFRS(I) 9	2.2	**-**	**-**	**5,095**	**554**	**5,649**	**5,027**	**10,676**
Balance as at 1 April 2018, as restated		**104,555**	**(35,285)**	**(4,209)**	**256,965**	**322,026**	**131,658**	**453,684**
Profit for the year		**-**	**-**	**-**	**32,519**	**32,519**	**17,060**	**49,579**
Other comprehensive loss for the year	34	**-**	**-**	**(3,019)**	**(515)**	**(3,534)**	**(276)**	**(3,810)**
Total comprehensive (loss)/income for the year		**-**	**-**	**(3,019)**	**32,004**	**28,985**	**16,784**	**45,769**
Employee share-based compensation								
- Value of employee services	34	**-**	**-**	**284**	**-**	**284**	**254**	**538**
Dividends								
- In cash	36	**-**	**-**	**-**	**(14,789)**	**(14,789)**	**(2,852)**	**(17,641)**
Purchase of treasury shares by a subsidiary	34	**-**	**-**	**(6)**	**(352)**	**(358)**	**358**	**-**
Effect of acquisition of shares from non-controlling shareholders		**-**	**-**	**(5)**	**-**	**(5)**	**5**	**-**
Cancellation of treasury shares		**(33,797)**	**33,797**	**-**	**-**	**-**	**-**	**-**
Total transactions with owners, recognised directly in equity		**(33,797)**	**33,797**	**273**	**(15,141)**	**(14,868)**	**(2,235)**	**(17,103)**
End of financial year		**70,758**	**(1,488)**	**(6,955)**	**273,828**	**336,143**	**146,207**	**482,350**
2018								
Balance as at 31 March 2017, as previously reported		104,555	(13,048)	(27,770)	258,215	321,952	122,706	444,658
Adoption of SFRS(I) 1	2.2	-	-	20,959	(20,959)	-	-	-
Adoption of SFRS(I) 15	2.2	-	-	-	2,159	2,159	289	2,448
Balance as at 1 April 2017, as restated		104,555	(13,048)	(6,811)	239,415	324,111	122,995	447,106
Profit for the year		-	-	-	26,322	26,322	15,837	42,159
Other comprehensive income/(loss) for the year	34	-	-	1,783	(145)	1,638	494	2,132
Total comprehensive income for the year		-	-	1,783	26,177	27,960	16,331	44,291
Employee share-based compensation								
- Value of employee services	34	-	-	688	-	688	626	1,314
- Treasury shares re-issued	33, 34	-	126	(126)	-	-	-	-
Dividends								
- In cash	36	-	-	-	(13,055)	(13,055)	(5,130)	(18,185)
Purchase of treasury shares	33	-	(22,363)	-	-	(22,363)	-	(22,363)
Purchase of treasury shares by a subsidiary	34	-	-	(4,838)	3,874	(964)	(8,191)	(9,155)
Total transactions with owners, recognised directly in equity		-	(22,237)	(4,276)	(9,181)	(35,694)	(12,695)	(48,389)
End of financial year		104,555	(35,285)	(9,304)	256,411	316,377	126,631	443,008

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	2019 $'000	2018 $'000
Cash flows from operating activities		
Profit before income tax	**62,357**	55,651
Adjustments for:		
- Share of loss/(profit) of associated companies and joint ventures	**1,442**	(3,112)
- Unrealised construction and project management margins	**8,248**	5,963
- Depreciation expense	**9,345**	9,902
- Amortisation expense	**216**	221
- Gain on disposal of property, plant and equipment	**(100)**	(83)
- Employee share-based compensation expense	**538**	1,314
- Gains on disposal of investment securities/available-for-sale financial assets	**(347)**	(736)
- Fair value losses on investment securities	**154**	-
- Gain on disposal of a property	**(5,890)**	-
- Write-off of intangible assets	**44**	-
- Finance expenses	**2,338**	2,014
- Interest income	**(7,120)**	(4,852)
- Unrealised currency exchange gains	**149**	282
	71,374	66,564
Change in working capital, net of effects from acquisition and disposal of subsidiaries:		
- Trade receivables, other receivables and prepayments	**(7,717)**	298
- Inventories and contracts assets/liabilities	**(36,898)**	(11,091)
- Properties held for sale	**(445)**	(55)
- Trade and other payables	**6,886**	(3,901)
- Derivative financial instruments	**(572)**	(10)
Cash provided by operations	**32,628**	51,805
Interest received	**7,120**	4,852
Interest paid	**(2,338)**	(2,014)
Income tax paid	**(16,549)**	(11,997)
Net cash generated from operating activities	**20,861**	42,646

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

	Note	2019 $'000	2018 $'000
Cash flows from investing activities			
Proceeds from disposal of investment securities/available-for-sale financial assets		**15,352**	50,864
Proceeds from disposal of property, plant and equipment		**127**	140
Proceeds from disposal of property - net		**10,395**	-
Government grant received		**92**	-
Acquisition of a subsidiary, net of cash acquired	42	**(17,244)**	-
Purchase of investment securities/available-for-sale financial assets		**(4,700)**	(13,862)
Purchase of property, plant and equipment		**(8,127)**	(3,683)
Additions to investment properties		**(59,573)**	(377)
Additions to intangible assets		**(738)**	-
Loans to joint ventures		**(15,190)**	(9,390)
Loan to associated companies		**(8,255)**	(6,587)
Loan to a related party		**-**	(1,897)
Dividends received from joint ventures		**2,600**	115
Deposits paid for property, plant and equipment		**(4,788)**	-
Deposits paid for investments		**(3,089)**	-
Net cash (used in)/provided by investing activities		**(93,138)**	15,323
Cash flows from financing activities			
Proceeds from borrowings		**111,313**	-
Purchase of treasury shares		**-**	(22,363)
Purchase of treasury shares by a subsidiary		**-**	(9,155)
Repayment of borrowings		**(37,014)**	(17,850)
Dividends paid to non-controlling interests		**(2,852)**	(5,130)
Dividends paid to equity holders of the Company		**(14,789)**	(13,055)
Net cash provided by/(used in) financing activities		**56,658**	(67,553)
Net decrease in cash and cash equivalents		**(15,619)**	(9,584)
Cash and cash equivalents			
Beginning of financial year	13	**265,382**	276,499
Effects of currency translation on cash and cash equivalents		**(2,902)**	(1,533)
End of financial year	13	**246,861**	265,382

Reconciliation of liabilities arising from financing activities

				Non-cash changes		
	1 April $'000	Proceeds from borrowings $'000	Principal and interest payments $'000	Acquisition of subsidiaries $'000	Interest expenses $'000	31 March $'000
Borrowings						
2019	70,504	111,313	(39,352)	2,794	2,338	147,597
2018	88,354	-	(19,799)	-	1,949	70,504

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Boustead Singapore Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.

The principal activity of the Company is that of an investment holding company. The principal activities of its significant subsidiaries and joint ventures are set out in Notes 27 and 26 respectively to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Adoption of SFRS(I)

As required by the listing requirements of Singapore Exchange, the Group has adopted SFRS(I) on 1 April 2018. These financial statements for the year ended 31 March 2019 are the first set of financial statements the Group prepared in accordance with SFRS(I). The Group's previously issued financial statements for periods up to and including the financial year ended 31 March 2018 were prepared in accordance with Singapore Financial Reporting Standards ("SFRS").

In adopting SFRS(I) on 1 April 2018, the Group is required to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of SFRS(I)*.

Under SFRS(I) 1, these financial statements are required to be prepared using accounting policies that comply with SFRS(I) effective as at 31 March 2019. The same accounting policies are applied throughout all periods presented in these financial statements, subject to the mandatory exceptions and optional exemptions under SFRS(I) 1.

The Group's opening statement of financial position has been prepared as at 1 April 2017, which is the Group's date of transition to SFRS(I) ("date of transition").

(a) Optional exemptions applied

SFRS(I) 1 allows the exemption from application of certain requirements under SFRS(I) on a retrospective basis. The Group has applied the following exemptions in preparing this first set of financial statements in accordance with SFRS(I):

(i) Business combinations

SFRS(I) 3 *Business Combinations* has not been applied to business combinations that occurred before the date of transition on 1 April 2017. The same classification as in its previous SFRS financial statements has been adopted.

The Group has not applied SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates* retrospectively to fair value adjustments and goodwill from business combinations that occurred before the date of transition to SFRS(I) on 1 April 2017. Such fair value adjustments and goodwill continue to be accounted for using the same basis as under SFRS 21, if any.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(a) Optional exemptions applied (cont'd)

(ii) Cumulative translation differences

The Group has elected to deem the cumulative translation differences for all foreign operations to be zero as at the date of transition to SFRS(I) on 1 April 2017.

(iii) Leases

The Group has not reassessed the determination of whether an arrangement contained a lease in accordance with SFRS(I) INT 4 *Determining whether an Arrangement contains a Lease*.

(iv) Borrowing costs

The Group has elected to apply the requirements in the SFRS(I) 1-23 *Borrowing Costs* from the date of transition to SFRS(I) on 1 April 2017. Borrowing costs that were accounted for previously under SFRS prior to date of transition are not restated.

(v) Short-term exemption on adoption of SFRS(I) 9 Financial Instruments

The Group has elected to apply the short-term exemption to adopt SFRS(I) 9 on 1 April 2018. Accordingly, the requirements of SFRS 39 *Financial Instruments: Recognition and Measurement* are applied to financial instruments up to the financial year ended 31 March 2018. The Group is also exempted from complying with SFRS(I) 7 *Financial Instruments:* Disclosure to the extent that the disclosures required by SFRS(I) 7 relate to the items within scope of SFRS(I) 9.

As a result, the requirements under SFRS are applied to the comparative information on items within scope of SFRS(I) 9.

(vi) Practical expedients on adoption of SFRS(I) 15 Revenue from Contracts with Customers

The Group has elected to apply the transitional provisions under paragraph C5 of SFRS(I) 15 at 1 April 2018 and have used the following practical expedients provided under SFRS(I) 15 as follows:

- for completed contracts with variable consideration, the Group has used the transaction price at the date the contract was completed, rather than estimating the variable consideration amounts in the comparative reporting period;

- for contracts which were modified before the date of transition, the Group did not retrospectively restate the contract for those contract modifications; and

- for the financial year ended 31 March 2018, the Group did not disclose the amount of transaction price allocated to the remaining performance obligations and explanation of when the Group expects to recognise that amount as revenue.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(b) Elimination of unrealised construction and project management margins

As permitted with the adoption of the new accounting framework of SFRS(I)s, the Group has elected to change its accounting policy with respect to the elimination of downstream transactions between the Group and its associated companies and joint ventures.

The Group contracts with an associated company and joint ventures to design and build industrial buildings and facilities. Under the equity method of accounting, any unrealised gains and losses from these transactions are eliminated, to the extent of the Group's interest in the associated company and joint ventures. Elimination relates only to assets that are still held by the investees.

Elimination of unrealised construction and project management margins are now made through a reduction in "revenue" and "cost of sales" on the consolidated income statement and the carrying value of the associated company and joint ventures on the statement of financial position, to the extent of the Group's interest in the associated company and joint ventures. Previously, the elimination was made through "share of profit/(loss) of associated companies and joint ventures". This change provides a straightforward approach to comprehending the Group's share of results of its investees and is also aligned with general industry practice.

The change in accounting policy did not have any impact on the Group's statement of financial position as at 1 April 2017 and 31 March 2018. The effects of this change on the Group's previously issued consolidated statement of comprehensive income for the financial year ended 31 March 2018 are disclosed in Note 2.2(d).

(c) Reconciliation of the Group's equity reported in accordance with SFRS to SFRS(I)

	Note	Reported under SFRS	Effects of applying SFRS(I) 1	Effects of applying SFRS(I) 15	Reported under SFRS(I)
		$'000	$'000	$'000	$'000
As at 1 April 2017					
ASSETS					
Current assets					
Cash and cash equivalents		276,499	-	-	276,499
Trade receivables	2.2(f)B2	100,797	-	(3,186)	97,611
Other receivables and prepayments	2.2(f)B1,B2	64,565	-	451	65,016
Contract assets	2.2(f)B1,B2	-	-	37,171	37,171
Financial assets held for trading		994	-	-	994
Inventories		4,370	-	-	4,370
Properties held for sale		30,612	-	-	30,612
Contracts work-in-progress	2.2(f)B2,B3	28,198	-	(28,198)	-
Available-for-sale financial assets		250	-	-	250
		506,285	-	6,238	512,523
Non-current assets					
Other receivables and prepayments		6,577	-	-	6,577
Contract assets	2.2(f)B1	-	-	2,526	2,526
Available-for-sale financial assets		65,903	-	-	65,903
Property, plant and equipment		11,699	-	-	11,699
Investment properties		134,796	-	-	134,796
Intangible assets		992	-	-	992
Investments in joint ventures		32,354	-	-	32,354
Deferred income tax assets	2.2(f)B1	2,968	-	(1,042)	1,926
		255,289	-	1,484	256,773
Total assets		761,574	-	7,722	769,296

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(c) Reconciliation of the Group's equity reported in accordance with SFRS to SFRS(I) (cont'd)

	Note	Reported under SFRS	Effects of applying SFRS(I) 1	Effects of applying SFRS(I) 15	Reported under SFRS(I)
		$'000	$'000	$'000	$'000
LIABILITIES					
Current liabilities					
Trade and other payables	2.2(f)B1,B2,B3	181,252	-	(20,631)	160,621
Income tax payable		12,946	-	-	12,946
Contracts work-in-progress	2.2(f)B2	20,688	-	(20,688)	-
Contract liabilities	2.2(f)B1,B2	-	-	46,589	46,589
Borrowings		18,295	-	-	18,295
Derivative financial instruments		653	-	-	653
		233,834	-	5,270	239,104
Non-current liabilities					
Trade and other payables	2.2(f)B2	6,883	-	(992)	5,891
Contract liabilities	2.2(f)B1,B2	-	-	996	996
Borrowings		70,059	-	-	70,059
Pension liability		2,936	-	-	2,936
Deferred income tax liabilities		3,204	-	-	3,204
		83,082	-	4	83,086
Total liabilities		316,916	-	5,274	322,190
NET ASSETS		444,658	-	2,448	447,106
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		104,555	-	-	104,555
Treasury shares		(13,048)	-	-	(13,048)
Other reserves	2.2(f)A1	(27,770)	20,959	-	(6,811)
Retained profits	2.2(f)A1,B1	258,215	(20,959)	2,159	239,415
		321,952	-	2,159	324,111
Non-controlling interests	2.2(f)B1	122,706	-	289	122,995
Total equity		444,658	-	2,448	447,106

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(c) Reconciliation of the Group's equity reported in accordance with SFRS to SFRS(I) (cont'd)

	Note	As at 31 Mar 2018 reported under SFRS	Effects of applying SFRS(I) 1	Effects of applying SFRS(I) 15	As at 31 Mar 2018 reported under SFRS(I)	Effects of applying SFRS(I) 9^	As at 1 Apr 2018 reported under SFRS(I)
		$'000	$'000	$'000	$'000	$'000	$'000
ASSETS							
Current assets							
Cash and cash equivalents		265,382	-	-	265,382	-	265,382
Trade receivables	2.2(f)B2	98,304	-	(8,569)	89,735	-	89,735
Other receivables and prepayments	2.2(f)B1,B2	52,035	-	339	52,374	-	52,374
Contract assets	2.2(f)B1,B2	-	-	44,345	44,345	-	44,345
Financial assets held for trading	2.2(f)C1	987	-	-	987	(987)	-
Inventories		1,134	-	-	1,134	-	1,134
Properties held for sale		30,730	-	-	30,730	-	30,730
Contracts work-in-progress	2.2(f)B2,B3	26,909	-	(26,909)	-	-	-
Investment securities	2.2(f)C1	-	-	-	-	21,368	21,368
Available-for-sale financial assets	2.2(f)C1	20,381	-	-	20,381	(20,381)	-
		495,862	-	9,206	505,068	-	505,068
Non-current assets							
Trade receivables		4,619	-	-	4,619	-	4,619
Other receivables and prepayments		3,127	-	-	3,127	-	3,127
Contract assets	2.2(f)B1	-	-	5,274	5,274	-	5,274
Investment securities	2.2(f)C1	-	-	-	-	49,241	49,241
Available-for-sale financial assets	2.2(f)C1	38,565	-	-	38,565	(38,565)	-
Property, plant and equipment		11,830	-	-	11,830	-	11,830
Investment properties		128,827	-	-	128,827	-	128,827
Intangible assets		737	-	-	737	-	737
Investment in associated companies		588	-	-	588	-	588
Investments in joint ventures		37,148	-	-	37,148	-	37,148
Deferred income tax assets	2.2(f)B1	3,277	-	(1,652)	1,625	-	1,625
		228,718	-	3,622	232,340	10,676	243,016
Total assets		724,580	-	12,828	737,408	10,676	748,084

^ The explanatory notes on the effects of applying the SFRS(I) 9 is detailed in Note 2.2(d).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(c) Reconciliation of the Group's equity reported in accordance with SFRS to SFRS(I) (cont'd)

	Note	As at 31 Mar 2018 reported under SFRS	Effects of applying SFRS(I) 1	Effects of applying SFRS(I) 15	As at 31 Mar 2018 reported under SFRS(I)	Effects of applying SFRS(I) 9^	As at 1 Apr 2018 reported under SFRS(I)
		$'000	$'000	$'000	$'000	$'000	$'000
LIABILITIES							
Current liabilities							
Trade and other payables	2.2(f)B1,B2,B3	176,271	-	(20,575)	155,696	-	155,696
Income tax payable		13,526	-	-	13,526	-	13,526
Contracts work-in-progress	2.2(f)B2	12,615	-	(12,615)	-	-	-
Contract liabilities	2.2(f)B1,B2	-	-	42,507	42,507	-	42,507
Borrowings		5,095	-	-	5,095	-	5,095
Derivative financial instruments		625	-	-	625	-	625
		208,132	-	9,317	217,449	-	217,449
Non-current liabilities							
Trade and other payables	2.2(f)B2	5,092	-	(999)	4,093	-	4,093
Contract liabilities	2.2(f)B1,B2	-	-	1,003	1,003	-	1,003
Borrowings		65,409	-	-	65,409	-	65,409
Pension liability		2,662	-	-	2,662	-	2,662
Deferred income tax liabilities		3,784	-	-	3,784	-	3,784
		76,947	-	4	76,951	-	76,951
Total liabilities		285,079	-	9,321	294,400	-	294,400
NET ASSETS		439,501	-	3,507	443,008	10,676	453,684
EQUITY							
Capital and reserves attributable to equity holders of the Company							
Share capital		104,555	-	-	104,555	-	104,555
Treasury shares		(35,285)	-	-	(35,285)	-	(35,285)
Other reserves	2.2(f)A1,C1	(30,263)	20,959	-	(9,304)	5,095	(4,209)
Retained profits	2.2(f)A1,B1,C1	274,277	(20,959)	3,093	256,411	554	256,965
		313,284	-	3,093	316,377	5,649	322,026
Non-controlling interests	2.2(f)B1	126,217	-	414	126,631	5,027	131,658
Total equity		439,501	-	3,507	443,008	10,676	453,684

^ The explanatory notes on the effects of applying the SFRS(I) 9 is detailed in Note 2.2(f)C.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(d) Reconciliation of the Group's total comprehensive income reported in accordance with SFRS to SFRS(I)

	Note	Reported under SFRS	Change in accounting policy (Note 2.2(b))	Effects of applying SFRS(I) 15	Reported under SFRS(I)
		$'000	$'000	$'000	$'000
For the financial year ended 31 March 2018					
Revenue	2.2(b), (f)B1	414,094	(31,707)	2,719	385,106
Cost of sales	2.2(b), (f)B1	(262,332)	25,744	(1,050)	(237,638)
Gross profit		151,762	(5,963)	1,669	147,468
Other income		6,081	-	-	6,081
Other (losses)/gains - net		(4,294)	-	-	(4,294)
Impairment loss on financial assets		(214)	-	-	(214)
Expenses					
- Selling and distribution		(33,255)	-	-	(33,255)
- Administrative		(61,233)	-	-	(61,233)
- Finance		(2,014)	-	-	(2,014)
Share of (loss)/profit of an associated company and joint ventures	2.2(b)	(2,851)	5,963	-	3,112
Profit before income tax		53,982	-	1,669	55,651
Income tax expense	2.2(f)B1	(12,882)	-	(610)	(13,492)
Total profit		41,100	-	1,059	42,159

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(d) Reconciliation of the Group's total comprehensive income reported in accordance with SFRS to SFRS(I) (cont'd)

	Reported under SFRS	Change in accounting policy (Note 2.2(b))	Effects of applying SFRS(I) 15	Reported under SFRS(I)
	$'000	$'000	$'000	$'000
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss:				
Available-for-sale financial assets				
- Fair value gains	50	-	-	50
- Reclassification to profit or loss on disposal	(736)	-	-	(736)
Currency translation differences arising from consolidation	2,469	-	-	2,469
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of retirement benefit obligation, net of tax	(142)	-	-	(142)
Non-controlling interests' share of currency translation differences arising from consolidation	491	-	-	491
Other comprehensive income, net of tax	2,132	-	-	2,132
Total comprehensive income	43,232	-	1,059	44,291

(e) There were no material adjustments to the Group's statement of cash flows arising from the transition from SFRS to SFRS(I).

(f) Explanatory notes to reconciliations:

The effects of transition to SFRS(I) mainly arises from the optional exemptions provided for under SFRS(I) 1 and the adoption of SFRS(I) 9 *Financial Instruments* and SFRS(I) 15 *Revenue from Contracts with Customers*.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(f) Explanatory notes to reconciliations: (cont'd)

A. Optional exemptions

As disclosed in Note 2.2(a), the Group has applied certain exemptions in preparing this first set of financial statements in accordance with SFRS(I). The exemptions that resulted in adjustments to the previously issued SFRS financial statements are as follows:

A1. Cumulative translation differences

As disclosed in Note 2.2(a)(ii), the Group has elected to deem the cumulative translation differences for all foreign operations to be zero at the date of transition to SFRS(I) on 1 April 2017. As a result, other reserves and retained profits as at 1 April 2017 have increased and reduced by $20,959,000 respectively.

B. Adoption of SFRS(I) 15

In accordance with the requirements of SFRS(I) 1, the Group adopted SFRS(I) 15 retrospectively. As disclosed in Note 2.2(a)(vi), the Group has also elected to apply the transition provisions under paragraph C5 of the SFRS(I) 15 at 1 April 2018.

The adoption of SFRS(I) 15 resulted in adjustments to the previously issued SFRS financial statements as explained below:

B1. Accounting for Geospatial technology contracts

Management has assessed the contracts under the Geospatial technology solutions segment to identify the different performance obligations under the contracts and the timing of transfer of control of the different performance obligations.

Management identified two performance obligations under certain contracts with bundled services: (i) sale of licence to access the software; and (ii) maintenance of the software and other related services over a fixed contract period. The accounting policy in relation to these performance obligations in accordance with SFRS(I) 15 are described in Note 2.3 (c).

Previously under SFRS, revenue and cost of sale of licence were recognised at different timings.

The adoption of SFRS(I) 15 has the following impact to the previously issued financial statements prepared under SFRS:

(i) Consolidated statement of comprehensive income

	Increase/ (Decrease) $'000
Financial year ended 31 March 2018	
Revenue	2,719
Cost of sales	1,050
Income tax expense	610
Total profit/Total comprehensive income	1,059

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(f) Explanatory notes to reconciliations: (cont'd)

B1. Accounting for Geospatial technology contracts (cont'd)

(ii) Consolidated statement of financial position

	Increase/(Decrease)	
	As at 31 March 2018 $'000	**As at 1 April 2017 $'000**
Current assets		
Other receivables and prepayments	883	496
Contract assets	5,594	4,705
Non-current assets		
Contract assets	5,274	2,526
Deferred income tax assets	(1,652)	(1,042)
Current liabilities		
Trade and other payables	4,381	2,945
Contract liabilities	2,207	1,288
Non-current liabilities		
Contract liabilities	4	4
Equity		
Retained profits	3,093	2,159
Non-controlling interests	414	289

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(f) Explanatory notes to reconciliations: (cont'd)

B2. Presentation of contract assets and contract liabilities

The Group has also changed the presentation of certain amounts in the statement of financial position as at 31 March 2018 on adopting SFRS(I) 15:

(i) Contract assets relating to unbilled revenue of $9,113,000 (1 April 2017: $3,231,000) were previously presented within "trade receivables" and "other receivables and prepayments".

(ii) Contract assets relating to construction contracts were previously presented as "amount due from contract customers" of $29,638,000 (1 April 2017: $29,235,000).

(iii) Contract liabilities relating to deferred income from maintenance contracts of $28,684,000 (1 April 2017: $25,605,000) were previously presented within "trade and other payables".

(iv) Contract liabilities relating to construction contracts were previously presented as "amount due to contract customers" of $12,615,000 (1 April 2017: $20,688,000).

B3. Accounting for loss-making construction contracts

Previously under SFRS 11, when it was probable that total contract costs will exceed total contract revenue for construction contracts, the expected loss was recognised as an expense immediately on a contract-by-contract basis, and was accounted for on the statement of financial position in accordance with SFRS 11.

Under SFRS(I) 15, there is no guidance on how to account for expected losses on loss-making contracts. As such, the Group will need to apply SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets* to identify and account for onerous contracts.

The Group has assessed and concluded that these loss-making contracts are onerous and will be recognised and measured as a provision. Provision for onerous contracts amounting to $2,729,000 (1 April 2017: $1,037,000) was recognised as a result of this change and reclassified from "contracts work-in-progress" to "trade and other payables".

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(f) Explanatory notes to reconciliations: (cont'd)

C. Adoption of SFRS(I) 9

As disclosed in Note 2.2(a)(v), the Group has elected to apply the short-term exemption to adopt SFRS(I) 9 on 1 April 2018. Accordingly, the requirements of SFRS 39 *Financial Instruments: Recognition and Measurement* are applied to financial instruments up to the financial year ended 31 March 2018.

At the same time, the Group is exempted from complying with SFRS(I) 7 *Financial Instruments: Disclosures* for the comparative period to the extent that the disclosures required by the SFRS(I) 7 relate to the items within scope of SFRS(I) 9.

As a result, the requirements under SFRS are applied in place of the requirements under SFRS(I) 7 and SFRS(I) 9 to comparative information about items within the scope of the SFRS(I) 9.

The accounting policies for financial instruments under SFRS(I) 9 is as disclosed in Note 2.11.

C1. Classification and measurement of financial assets

For financial assets held by the Group on 1 April 2018, management has assessed the business models that are applicable on that date to these assets so as to classify them into the appropriate categories under SFRS(I) 9. Material reclassifications resulting from management's assessment are disclosed below.

		← Financial Assets →					
	Note	**FVPL**	**AFS**	**FVOCI**	**Fair value reserve**	**Retained profits**	**Non-controlling interests**
		$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance as at 31 March 2018 – before adoption of SFRS(I) 9		987	58,946	-	592	256,411	126,631
Reclassify investments from AFS to FVPL	(i)	20,754	(20,754)	-	(554)	554	-
Reclassify non-trading equities from AFS to FVOCI	(ii)	-	(20,519)	31,195	5,649	-	5,027
Reclassify debt securities from AFS to FVOCI	(iii)	-	(17,673)	17,673	-	-	-
Balance as at 1 April 2018 – after adoption of SFRS(I) 9		**21,741**	**-**	**48,868**	**5,687**	**256,965**	**131,658**

	FVPL	**FVOCI**	**Total**
	$'000	**$'000**	**$'000**
Classified as investment securities:			
- Current	9,334	12,034	21,368
- Non-current	12,407	36,834	49,241
	21,741	**48,868**	**70,609**

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(f) Explanatory notes to reconciliations: (cont'd)

C. Adoption of SFRS(I) 9 (cont'd)

C1. Classification and measurement of financial assets (cont'd)

(i) Reclassification of financial assets from available-for-sale financial assets to FVPL

Investments amounting to $20,754,000 were reclassified from the "available-for-sale financial assets" category to "financial assets, at FVPL" category. They are equity and debt instruments that do not meet the criteria to be classified as amortised cost in accordance with SFRS(I) 9, because their cash flows do not represent solely payments of principal and interest. Related fair value gains of $554,000 were transferred from the fair value reserve to retained earnings on 1 April 2018.

(ii) Equity investments reclassified from available-for-sale financial assets to FVOCI

The Group and the Company has elected to recognise changes in the fair value of its unquoted equity investment not held for trading and previously classified as available-for-sale financial assets, in other comprehensive income. As a result, the unquoted equity investment was reclassified from "available-for-sale financial assets" to "financial assets, at FVOCI". The unquoted equity investment, which was previously held at cost at $20,519,000, was measured at fair value at $31,195,000 in accordance with SFRS(I) 9 on 1 April 2018. The financial assets, at FVOCI, fair value reserve and non-controlling interests increased by $10,676,000, $5,649,000 and $5,027,000 respectively on 1 April 2018.

(iii) Available-for-sale debt instruments reclassified as FVOCI

Listed bonds amounting to $17,673,000 as at 1 April 2018 previously classified as "available-for-sale financial assets" were reclassified as "financial assets, at FVOCI". The Group's business model on these assets is to collect contractual cash flows and sell these assets. The contractual cash flows of these investments consist solely of payments of principal and interest.

(iv) Impairment of financial assets

The Group has the following financial assets subject to the expected credit loss impairment model under SFRS(I) 9:

- trade receivables and contract assets recognised under SFRS(I) 15;
- lease receivables recognised under SFRS(I) 1-17;
- debt instruments measured at FVOCI; and
- other receivables at amortised cost.

The impairment methodology under SFRS and SFRS(I) for each of these classes of financial assets is different. The impairment methodology for each of these classes of financial assets under SFRS(I) 9 is as disclosed in Note 2.11 and Note 39(b).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Adoption of SFRS(I) (cont'd)

(g) Reconciliation of the Company's equity reported in accordance with SFRS to SFRS(I)

The Company's opening statement of financial position was prepared as at 1 April 2017, which was the Company's date of transition to SFRS(I). There were no material impact to the Company's balances on adoption of SFRS(I), except for the effects arising from the application of SFRS(I) 9, as follows.

A. Classification and measurement of financial assets

For financial assets held by the Company on 1 April 2018, management has assessed the business models that are applicable on that date to these assets so as to classify them into the appropriate categories under the SFRS(I) 9. Material reclassifications resulting from management's assessment are as follows:

		← Financial Assets →				
	Note	FVPL	AFS	FVOCI	Fair value reserve	Retained profits
		$'000	$'000	$'000	$'000	$'000
Balance as at 31 March 2018						
– before adoption of SFRS(I) 9		987	38,027	-	592	67,513
Reclassify investments						
from AFS to FVPL	(i)	20,354	(20,354)	-	(554)	554
Reclassify debt securities						
from AFS to FVOCI	(ii)	-	(17,673)	17,673	-	-
Balance as at 1 April 2018						
– after adoption of SFRS(I) 9		21,341	-	17,673	38	68,067

(i) Reclassification of financial assets from available-for-sale financial assets to FVPL

Investments amounting to $20,354,000 were reclassified from the "available-for-sale financial assets" category to "financial assets, at FVPL" category. They are equity and debt instruments that do not meet the criteria to be classified as amortised cost in accordance with SFRS(I) 9, because their cash flows do not represent solely payments of principal and interest. Related fair value gains of $554,000 were transferred from the fair value reserve to retained earnings on 1 April 2018.

(ii) Available-for-sale debt instruments reclassified as FVOCI

Listed bonds amounting to $17,673,000 as at 1 April 2018 previously classified as "available-for-sale financial assets" were reclassified as "financial assets, at FVOCI". The Company's business model on these assets is to collect contractual cash flows and sell these assets. The contractual cash flows of these investments consist solely of payments of principal and interest.

(iii) Impairment of financial assets

The Company has the following types of financial assets subject to the expected credit loss impairment model under SFRS(I) 9:

- debt instruments measured at FVOCI and amortised cost; and
- loans to subsidiaries and other receivables at amortised cost.

The impairment methodology under SFRS and SFRS(I) for each of these classes of financial assets is different. The impairment methodology for each of these classes of financial assets under SFRS(I) 9 is as disclosed in Note 2.11 and Note 39(b).

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Revenue

(a) Revenue from Design-and-Build contracts

The Group enters into contracts with customers to design and build industrial buildings and facilities. Revenue is recognised when the control over the industrial buildings and facilities has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the industrial buildings and facilities over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The industrial buildings and facilities has no alternative use to the Group due to contractual restriction. The Group has also enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the industrial buildings and facilities. The measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the industrial buildings and facilities to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the industrial buildings and facilities.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the performing entity from the customers' failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from Design-and-Build contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a progressive work certification basis. If the value of the progress work transferred by the Group exceed the billings to customers, a contract asset is recognised. If the billings to customers exceed the value of the goods transferred, a contract liability is recognised.

(b) Revenue from Energy-related engineering contracts

The Group enters into contracts with customers to design and supply plants in the oil and gas, petrochemical and power industries. Revenue is recognised when the control over the plant has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the plant over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The plants have no alternative use to the Group due to contractual restriction. The Group has also enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the industrial buildings and facilities. The measurement of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"), except where this would not be representative of the stage of completion. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Revenue (cont'd)

(b) Revenue from Energy-related engineering contracts (cont'd)

Management has determined that input method provides a faithful depiction of the Group's performance in transferring control over the plants to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the industrial facilities.

The period between the transfer of the promised goods and payment by the customer may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the performing entity from the customers' failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Revenue from energy-related engineering contracts are also adjusted with variations to the contracts claimable from customers, as well as liquidated damages due to delays or other causes, payable to customers.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is a highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The customer is invoiced on a milestone payment schedule. If the value of the progress work transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

(c) Revenue from Geospatial technology

Revenue from contracts with multiple performance obligations is recognised when the Group satisfies a performance obligation ("PO"). The amount of revenue recognised is the amount of transaction price allocated to the satisfied PO. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services.

(i) Sale of products - Licence

The Group distributes geospatial software and licences. Sales are recognised when control of the products has been transferred to its customer, being when the product licence key is provided to the customer. Revenue from these sales is recognised based on the price specified in the contract. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

A receivable (financial asset) is recognised when the licence key is provided as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

(ii) Maintenance and other services

Revenue from maintenance and other services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised on a straight-line basis over the term of the contract.

The customers are invoiced at commencement of the contract. A contract liability is recognised for the amounts invoiced but services not yet rendered. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Revenue (cont'd)

(d) Revenue from Healthcare technology

(i) Sale of products

The Group distributes medical products. Sales are recognised when control of the products has been transferred to its customer, being when the products are delivered to the customer.

Revenue is recognised based on the price specified in the contract. The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision. Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

A receivable (financial asset) is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before payment is due.

(ii) Healthcare services

Revenue from healthcare services is recognised in the accounting period in which the services are rendered, by reference to the completion of the specific transaction assessed on the basis of the actual services provided as a proportion of the total services to be performed.

The customers are invoiced based on payment schedules with a credit term which is consistent with market practice. A contract asset is recognised for the cumulative revenue recognised but not yet invoiced.

(e) Sale of industrial properties

Gain from the sale of industrial properties is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the control of the industrial properties;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the industrial properties sold;
- the amount of gain can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(f) Interest income

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

(g) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

(h) Rental income

Please refer to Note 2.19(b) for the accounting policy for rental income.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, transactions and balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated income statement, consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to Note 2.9 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less any impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Group accounting (cont'd)

(c) Associated companies and joint ventures (cont'd)

(ii) Equity method of accounting (cont'd)

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The elimination of unrealised gains and losses are made through "investments in associated companies" and "investments in joint ventures" on the statement of financial position and a proportionate reduction in "revenue" and "cost of sales" on the consolidated income statement. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to Note 2.9 for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

2.5 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Building	50 years
Leasehold property and fitouts	3 – 20 years
Machinery and equipment	3 – 5 years
Furniture, office equipment and motor vehicles	4 – 10 years
Medical equipment and operating assets	2 – 5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Property, plant and equipment (cont'd)

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

2.6 Intangible assets

(a) Goodwill

Goodwill on acquisitions of subsidiaries and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on acquisitions of joint ventures and associated companies represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associated companies and joint ventures include the carrying amount of goodwill relating to the entity sold.

(b) Acquired trademarks

Trademarks acquired as part of a business combination are fair valued based on their intended use in accordance with SFRS(I) 1-38 Intangible Assets and the expected future economic benefit to be derived by the Group from continuing to generate future operating cash inflows from products and services associated with the acquired trademark.

Trademarks assessed to have a finite useful life are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 6 years, which is the shorter of their estimated useful lives and periods of contractual rights.

Costs associated with trademarks and trademarks renewals are expensed off when incurred.

(c) Contract backlogs

Contract backlogs is initially recognised at cost and is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 3 years, which is the shorter of their estimated useful life and period of contractual rights.

(d) Development of software

Research costs are recognised as an expense when incurred. Costs directly attributable to the development of computer software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services and payroll-related costs of employees directly involved in the project.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties and assets under construction. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development.

2.8 Investment properties

Investment properties are properties that are held for long-term rental yields and/or for capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Investment properties are initially carried at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes land cost, related acquisition expenses, construction costs and finance costs incurred during the period of construction.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over the estimated useful lives of 12 to 42 years for leasehold land and buildings and 15 years for machinery and equipment. No depreciation is provided for investment properties under construction and depreciation commences when the asset is ready for its intended use. The estimated useful lives and depreciation method are reviewed at each reporting date, with the effect of any changes in estimate accounted for on a prospective basis.

The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.9 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Intangible assets (other than goodwill)
Property, plant and equipment
Investment properties
Investments in subsidiaries, associated companies and joint ventures

Intangible assets, property, plant and equipment, investment properties and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial assets

The accounting for financial assets before 1 April 2018 are as follows:

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the reporting date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are presented as "trade receivables", "other receivables and prepayments", "loans to subsidiaries" and "cash and cash equivalents" on the statement of financial position.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the reporting date.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial assets (cont'd)

The accounting for financial assets before 1 April 2018 are as follows: (cont'd)

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Available-for-sale financial assets whose fair value cannot be reliably measured are measured at cost less impairment loss. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

The Group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.11(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If there is objective evidence of impairment, the cumulative loss that had been recognised in other comprehensive income is reclassified from equity to profit or loss. The amount of cumulative loss that is reclassified is measured as the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss. The impairment losses recognised as an expense for an equity security are not reversed through profit or loss in subsequent period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial assets (cont'd)

The accounting for financial assets from 1 April 2018 are as follows:

(f) Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade receivables, other receivables and prepayments and loan to subsidiaries.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains/losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains/losses".

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial assets (cont'd)

The accounting for financial assets from 1 April 2018 are as follows: (cont'd)

(f) Classification and measurement (cont'd)

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains/losses", except for those equity securities which are not held for trading.

The Group has elected to recognise changes in fair value of equity investments not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(g) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 39 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, other receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(h) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Group are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Properties held for sale

Properties held for sale are carried at the lower of cost (specific identification method) and net realisable value. Cost includes land cost, related acquisition expenses, construction costs and finance costs incurred during the period of construction. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2.14 Financial guarantees

The Group and Company has given guarantees in favour of banks in respect of banking and loan facilities granted to its subsidiaries, an associated company, a joint venture and a related party. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries, an associated company, a joint venture and a related party fail to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value plus transaction costs and subsequently measured at the higher of:

(a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

(b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

Prior to 1 April 2018, financial guarantees were subsequently measured at the higher of (a) and the expected amounts payable to the banks in the event it is probable that the Group and Company will reimburse the banks.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.16 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.17 Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Derivative financial instruments and hedging activities (cont'd)

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives designated as hedging instruments are highly effective in offsetting changes in fair value or cash flows of the hedged items.

The carrying amount of a derivative designated as a hedge is presented as a non-current asset or liability if the remaining expected life of the hedged item is more than 12 months, and as a current asset or liability if the remaining expected life of the hedged item is less than 12 months. The fair value of a trading derivative is presented as a current asset or liability.

The following hedge in-placed as at 31 March 2019 qualified as cash flow hedge under SFRS(I) 9. The Group's management strategies and hedge documentation are aligned with the requirements of SFRS(I) 9 and are thus treated as continuing hedges.

Cash flow hedge - Interest rate swaps

The Group has entered into interest rate swaps that are cash flow hedges for the Group's exposure to interest rate risk on its borrowings. These contracts entitle the Group to receive interest at floating rates on notional principal amounts and oblige the Group to pay interest at fixed rates on the same notional principal amounts, thus allowing the Group to raise borrowings at floating rates and swap them into fixed rates.

The fair value changes on the effective portion of interest rate swaps designated as cash flow hedges are recognised in other comprehensive income, accumulated in the hedging reserve and reclassified to profit or loss when the hedged interest expense on the borrowings is recognised in profit or loss. The fair value changes on the ineffective portion of interest rate swaps are recognised immediately in profit or loss.

2.18 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each reporting date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used.

The fair values of currency forwards are determined using actively quoted forward exchange rates.

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

2.19 Leases

(a) When the Group is the lessee:

The Group leases land and office premises under operating leases from a joint venture and non-related parties.

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.19 Leases (cont'd)

(b) When the Group is the lessor:

The Group leases investment properties and properties held for sale under operating leases to non-related parties.

Leases of investment properties and properties held for sale where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

2.20 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.21 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the consolidated income statement as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2.23 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Post-employment benefits

The Group operates both defined benefit and defined contribution post-employment benefit plans in accordance with local conditions and practices in the countries in which it operates.

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

(ii) Defined benefit plans

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is determined with reference to actuarial valuations issued by independent actuaries using the attained age method which will yield the same actuarial liability amount as the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations. The resulting defined benefit asset or liability is presented separately as other non-current asset or liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period when they arise. The experience adjustments are not to be classified to profit or loss in a subsequent period.

Past service costs are recognised immediately in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Employee compensation (cont'd)

(b) Employee share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of share awards is recognised as an expense with a corresponding increase in the share-based compensation reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the share awards granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under share awards that are expected to vest on the vesting date. At each reporting date, the Group revises its estimates of the number of shares under share awards that are expected to vest on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based compensation reserve, over the remaining vesting period.

When the share awards are vested, the related balance previously recognised in the share-based compensation reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.24 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars ("presentation currency"), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from net investment in foreign operations, and any fair value changes on the effective portion of derivative financial instruments designated and qualifying as net investment hedge are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

All foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains/(losses) - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.24 Currency translation (cont'd)

(c) Translation of Group entities' financial statements

The results and statement of financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the foreign operation.

2.25 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to senior management, whose members are responsible for allocating resources and assessing performance of the operating segments.

2.26 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts, if any, are presented as current borrowings on the statement of financial position.

2.27 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the costs of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.28 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In preparing these financial statements and applying the Group's accounting policies as described in Note 2, management has applied judgement and made certain assumptions and estimations. Estimates, assumptions and judgement are based on historical experience and other factors and continually evaluated, including expectations of future events that are believed to be reasonable under the circumstances.

Estimation of total contract costs for Design-and-Build contracts under Real estate solutions segment

The Group has significant ongoing contracts at each reporting date with customers to design and build industrial buildings and facilities.

For Design-and-Build contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the industrial buildings and facilities. The measurement of progress is determined based on the proportion of contract costs incurred to-date to the estimated total contract costs ("input method"). When it is probable that total contract costs will exceed total revenue, a provision for onerous contract is recognised in the profit or loss immediately. Revenue recognised on these contracts but unbilled to customers are presented as contract assets on the statement of financial position.

Under the input method, estimated total contract costs on each project is a key input that is subject to significant estimation uncertainty. At every reporting date, management re-evaluates, *inter alia*, the estimated total contract costs by updating the estimated contract costs to be incurred from the reporting date to the completion date of the projects ("costs-to-complete").

In making estimation of the total costs-to-complete, management has applied its past experience of completing similar projects, as well as quotations from and contracts with suppliers and sub-contractors. These estimations are also made with due consideration of the physical surveys of the construction in-progress and circumstances and relevant events that were known to management at the date of these financial statements. Construction projects are inherently complex and involve uncertainties that may not be apparent to management at the reporting date. Management have made provision for contingency on each project to address these inherent risks.

For on-going projects at the reporting date, if the estimated contract cost to be incurred from the reporting date to the completion date is higher/lower by 5% from management's estimates, the Group's revenue and profit before tax would have been lower/higher by $1,648,000.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

Estimation of customers' claim on liquidated damages

Customers have the right to claim for liquidated damages under the contractual terms of the Design-and-Build and Energy-related engineering contracts if contractual obligations, including completion of the project and delivery of plants by a specific date, are not fulfilled.

At every reporting date, management re-evaluates the probability of liquidated damages claims from customers by considering whether there are or may be significant delays in the progress of the projects in-progress and whether there are significant defects that could not be rectified by the Group. The determination of the probability of claims are based on the circumstances and relevant events that were known to management at the date of these financial statements.

Uncertainty over the measurement of provision for onerous contracts

The Group has certain ongoing contracts with customers relating to design, engineering and supply of plants which are onerous. A provision for onerous contracts amounting to $1,631,000 (Note 29) has been made as at 31 March 2019. The provision represents the excess of estimated total costs over the estimated revenue on these projects.

The measurement of the provision for onerous contract is dependent on the estimated total cost-to-complete and claims from customers on these projects which has been made by taking into consideration information from the ongoing monitoring of the progress of the projects, including testing results of the plants, and feedback from customers.

The estimation is based on information available at the date of these financial statements. As the projects are inherently complex and involve uncertainties that may not be apparent to management at that date, new information may surface subsequently that could affect the accuracy of management's estimation of the provision for onerous contracts.

4. REVENUE FROM CONTRACT WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers

	At a point in time $'000	Over time $'000	Total $'000
2019			
Revenue from contracts with customers			
Construction of			
- Design-and-Build contracts under Real estate solutions	**-**	**205,061**	**205,061**
- Energy-related engineering	**5,740**	**96,719**	**102,459**
Geospatial technology			
- Licence	**39,259**	**-**	**39,259**
- Maintenance and other services	**-**	**82,882**	**82,882**
Healthcare technology			
- Sale of products	**8,959**	**-**	**8,959**
- Healthcare services	**-**	**2,398**	**2,398**
	53,958	**387,060**	**441,018**
Revenue from other sources			
Property rental income			**29,162**
Dividend income			**466**
Total			**470,646**
2018			
Revenue from contracts with customers			
Construction of			
- Design-and-Build contracts under Real estate solutions	-	138,794	138,794
- Energy-related engineering	7,918	87,030	94,948
Geospatial technology			
- Licence	39,284	-	39,284
- Maintenance and other services	-	80,043	80,043
	47,202	305,867	353,069
Revenue from other sources			
Property rental income			30,841
Dividend income			1,196
Total			385,106

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

4. REVENUE FROM CONTRACT WITH CUSTOMERS (CONT'D)

(b) Contract assets and liabilities

	Group		
	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Contract assets			
Current			
- Design-and-Build contracts under Real estate solutions	**69,945**	16,872	11,184
- Energy-related engineering contracts	**29,126**	24,999	24,860
- Licence contracts under Geospatial technology	**8,436**	6,535	5,188
- Service contracts under Healthcare technology	**28**	-	-
Less: Loss allowance	**(4,061)**	(4,061)	(4,061)
	103,474	44,345	37,171
Non-current			
- Licence contracts under Geospatial technology	**2,657**	5,274	2,526
Total contract assets	**106,131**	49,619	39,697
Contract liabilities			
Current			
- Design-and-Build contracts under Real estate solutions	**18,695**	7,872	9,458
- Energy-related engineering contracts	**4,672**	4,743	11,230
- Maintenance contracts under Geospatial technology	**34,638**	29,892	25,901
- Service contracts under Healthcare technology	**976**	-	-
	58,981	42,507	46,589
Non-current			
- Maintenance contracts under Geospatial technology	**1,134**	1,003	996
Total contract liabilities	**60,115**	43,510	47,585

Contract assets relate to the Group's right to consideration for work completed but not yet billed at reporting date. The contract assets balance increased as the Group provided more services and transferred more products ahead of the agreed payment schedules.

Contract liabilities primarily relates to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for construction contracts, sale of goods and rendering of services. Contract liabilities increased due to more contracts in which the Group billed and received consideration ahead of provision of services.

4. REVENUE FROM CONTRACT WITH CUSTOMERS (CONT'D)

(b) Contract assets and liabilities (cont'd)

(i) Revenue recognised in relation to contract liabilities

	2019 $'000	2018 $'000
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period		
- Construction contracts	**12,297**	20,311
- Sale of products and rendering of services	**29,038**	26,048
	41,335	46,359

(ii) Unsatisfied performance obligations

	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March			
- Construction contracts	**718,254**	-*	-*
- Sale of products and rendering of services	**50,855**	-*	-*
	769,109	-*	-*

* As permitted under the transitional provisions in the SFRS(I) 15, the transaction price allocated to partially or fully unsatisfied performance obligations as of 31 March 2018 and 1 April 2017 is not disclosed.

Management expects that the aggregate amount of the transaction price allocated to the unsatisfied performance obligations as of 31 March 2019 may be recognised as revenue as the Group continues to perform to complete the construction over the next 1 to 3 years. The amount disclosed above does not include variable consideration which is subject to significant risk of reversal.

As permitted under the SFRS(I) 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less, or are billed based on time incurred, is not disclosed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

5. OTHER INCOME

	Group	
	2019 **$'000**	**2018** **$'000**
Interest income		
- Financial assets, at amortised cost		
- Bank deposits	**5,286**	2,657
- Loan to an associated companies	**551**	310
- Loan to a related party*	**384**	723
	6,221	3,690
- Financial assets, at FVOCI/Available-for-sale financial assets	**397**	1,020
- Financial assets, at FVPL	**379**	-
- Others	**123**	142
	7,120	4,852
Sublease income	**1,161**	1,229
	8,281	6,081

* Subsidiary of an associated company

6. OTHER GAINS/(LOSSES) - NET

	Group	
	2019 **$'000**	**2018** **$'000**
Fair value gains/(losses)		
- Derivative financial instruments	**572**	10
- Financial assets, at FVPL (Note 21(a))	**(154)**	-
Financial assets, at FVOCI/Available-for-sale financial assets:		
- Reclassification from other comprehensive income on disposal	**347**	736
Gain on disposal of a property	**5,890**	-
Currency exchange gains/(losses) – net	**2,192**	(5,040)
	8,847	(4,294)

7. EXPENSES BY NATURE

	Group	
	2019 **$'000**	**2018** **$'000**
Employee compensation (Note 8)	**80,992**	70,296
Sub-contractor fees and other construction and engineering costs	**235,865**	160,839
Purchases of inventories and services	**69,359**	58,511
Depreciation expense (Notes 22 and 23)	**9,345**	9,902
Directors' fees		
- Directors of the Company	**274**	232
- Directors of a subsidiary	**217**	244
(Reversal of)/Allowance for impairment of inventories	**(198)**	2,676
Fees on audit services paid/payable to:		
- Auditor of the Company	**403**	391
- Other auditors	**402**	247
Fees on non-audit services paid/payable to:		
- Auditor of the Company	**25**	87
- Other auditors	**44**	67
Amortisation of intangible assets (Note 24)	**216**	221
Legal and professional fees	**4,830**	2,960
Rental expense on operating leases	**7,954**	8,078
Property tax	**3,432**	3,558
Utility charges	**471**	455
Repair and maintenance expenses	**3,417**	3,040
Selling expenses	**2,195**	2,445
Gain on disposal of property, plant and equipment	**(100)**	(83)
Write-off of intangible assets (Note 24)	**44**	-
Others	**1,123**	7,960
Total cost of sales, selling and distribution and administrative expenses	**420,310**	332,126

8. EMPLOYEE COMPENSATION

	Group	
	2019 **$'000**	**2018** **$'000**
Wages and salaries	**74,150**	63,679
Employer's contribution to defined contribution plans including Central Provident Fund	**6,088**	5,136
Employee share-based compensation expense (Note 33)	**538**	1,314
Other benefits	**216**	167
	80,992	70,296

9. FINANCE EXPENSES

	Group	
	2019 $'000	**2018 $'000**
Interest expense – bank borrowings	**2,338**	2,014

10. SHARE OF (LOSS)/PROFIT OF ASSOCIATED COMPANIES AND JOINT VENTURES

	Group	
	2019 $'000	**2018 $'000**
Share of (loss)/profit after income tax		
- Associated companies (Note 25)	**(195)**	1,975
- Joint ventures (Note 26)	**(1,247)**	1,137
	(1,442)	3,112

11. INCOME TAXES

(a) Income tax expense

	Group	
	2019 $'000	**2018 $'000**
Tax expense attributable to profit is made up of:		
- Profit for the financial year:		
Current income tax		
- Singapore	**10,431**	6,905
- Foreign	**7,359**	7,463
	17,790	14,368
Deferred income tax (Note 28)	**(2,042)**	652
	15,748	15,020
- Over provision in prior financial years:		
Current income tax	**(1,573)**	(1,682)
Deferred income tax (Note 28)	**(1,397)**	154
	(2,970)	(1,528)
	12,778	13,492

11. INCOME TAXES (CONT'D)

(a) Income tax expense (cont'd)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2019 $'000	**2018 $'000**
Profit before tax	**62,357**	55,651
Share of loss/(profit) of associated companies and joint ventures – net of tax	**1,442**	(3,112)
Profit before tax and share of profit of associated companies and joint ventures	**63,799**	52,539
Tax calculated at tax rate of 17% (2018: 17%)	**10,846**	8,932
Effects of:		
- expenses not deductible for tax purposes	**2,120**	2,506
- different tax rates in other countries	**2,969**	3,201
- deferred income tax assets not recognised	**1,114**	894
- income not subject to tax	**(264)**	(527)
- tax incentives	**(241)**	(616)
- intra-group unrealised (losses)/gains subject to tax	**(73)**	1,026
- over provision in prior financial years - net	**(2,970)**	(1,528)
- utilisation of previously unrecognised tax losses	**(124)**	-
- others	**(599)**	(396)
Tax charge	**12,778**	13,492

(b) Movement in current income tax payable

	Group	
	2019 $'000	**2018 $'000**
Beginning of financial year	**13,526**	12,946
Currency translation differences	**(112)**	(109)
Acquisition of a subsidiary (Note 42(c))	**51**	-
Income tax paid	**(16,549)**	(11,997)
Tax expense	**17,790**	14,368
Over provision in prior financial years	**(1,573)**	(1,682)
End of financial year	**13,133**	13,526

12. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2019	2018
Profit attributable to equity holders of the Company ($'000)	**32,519**	26,322
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**492,985**	519,708
Basic earnings per share (cents per share)	**6.60**	5.06

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

The profit attributable to equity holders of the Company has been adjusted for the effects of conversion of dilutive potential ordinary shares of a subsidiary.

Diluted earnings per share attributable to equity holders of the Company is calculated as follows:

	2019	2018
Profit attributable to equity holders of the Company ($'000)	**32,519**	26,322
Adjustment for dilutive potential ordinary shares of a subsidiary ($'000)	**(81)**	(536)
Adjusted profit attributable to equity holders of the Company ($'000)	**32,438**	25,786
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	**492,985**	519,708
Diluted earnings per share (cents per share)	**6.58**	4.96

13. CASH AND CASH EQUIVALENTS

	Group			Company		
	31 March		1 April	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000	2019 $'000	2018 $'000	2017 $'000
Cash at bank and on hand	**164,719**	134,518	137,472	**3,979**	9,523	4,868
Short-term bank deposits	**82,142**	130,864	139,027	**37,200**	48,574	63,716
	246,861	265,382	276,499	**41,179**	58,097	68,584

Cash and cash equivalents belonging to subsidiaries of the Group amounting to $13,404,000 (31 March 2018: $17,303,000, 1 April 2017: $4,785,000) are held in the People's Republic of China ("PRC") and Vietnam and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

14. TRADE RECEIVABLES

	Group		
	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000
Current			
Trade receivables:			
- Non-related parties	**109,245**	83,023	101,152
- Joint ventures	**3,293**	19,749	5,995
- An associated company	**1,128**	-	-
- A related party*	**958**	1,075	5,405
Less: Allowance for impairment of receivables			
- Non-related parties	**(29,292)**	(28,056)	(28,235)
	85,332	75,791	84,317
Retention sum receivables:			
- Non-related parties	**6,084**	11,125	9,430
- Joint ventures	**4,618**	2,458	3,185
- A related party*	**-**	361	679
	10,702	13,944	13,294
	96,034	89,735	97,611
Non-current			
Retention sum receivables			
- Non-related parties	**10,909**	2,365	-
- Joint ventures	**376**	2,254	-
Less: Allowance for impairment of retention sum receivables			
- Non-related parties	**(73)**	-	-
	11,212	4,619	-

* Subsidiary of an associated company

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15. OTHER RECEIVABLES AND PREPAYMENTS

	Group			Company		
	31 March		1 April	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000	2019 $'000	2018 $'000	2017 $'000
Current						
Loans to:						
- Associated companies	**15,426**	10,208	3,406	**1,424**	-	-
- A related party*	**6,631**	6,710	4,527	**-**	-	-
	22,057	16,918	7,933	**1,424**	-	-
Other receivables:						
- Non-related parties	**18,426**	16,642	41,383	**2,383**	2,545	2,717
- Subsidiaries	**-**	-	-	**3,000**	-	1,282
- Joint ventures	**8**	10	196	**-**	-	-
- An associated company	**1,375**	870	527	**-**	-	-
- A related party*	**848**	517	223	**-**	-	-
Less: Allowance for impairment of other receivables						
- Non-related parties	**(5,629)**	(5,658)	(5,766)	**(2,016)**	(2,016)	(2,016)
	37,085	29,299	44,496	**4,791**	529	1,983
Tax recoverable	**1,092**	1,407	2,334	**-**	-	-
Deposits	**10,742**	5,847	1,739	**-**	-	-
Prepayments	**18,106**	15,635	16,097	**-**	-	4,200
Staff loans and advances	**291**	186	350	**-**	-	-
	67,316	52,374	65,016	**4,791**	529	6,183
Non-current						
Loan to:						
- An associated company	**2,915**	-	-	**2,915**	-	-
Other receivables	**1,528**	1,571	4,709	**-**	-	-
Prepayments	**1,316**	1,556	1,868	**-**	-	-
	5,759	3,127	6,577	**2,915**	-	-

* Subsidiary of an associated company

A current loan to an associated company by the Group is unsecured, bears interest at 0.50% (31 March 2018: 0.50%, 1 April 2017: 0.50%) above Kuala Lumpur Interbank Offered Rate ("KLIBOR") per annum and is repayable on demand. The loan to a related party is unsecured, bears interest at 2.00% (31 March 2018: 1.40%, 1 April 2018: 1.40%) above KLIBOR per annum and is repayable on demand.

A current loan to an associated company by the Group and Company is unsecured, bears interest at a fixed rate of 8% (31 March 2018: Nil%, 1 April 2017: Nil%) per annum and is repayable within the next 12 months.

A non-current loan to an associated company by the Group and Company is unsecured, bears interest at a fixed rate of 8% (31 March 2018: Nil%, 1 April 2017: Nil%) per annum and is repayable in full within 3 years.

Other receivables due from joint ventures, an associated company and a related party are unsecured, interest-free and repayable on demand.

15. OTHER RECEIVABLES AND PREPAYMENTS (CONTINUED)

Movement in the allowance for impairment of other receivables are as follows:

	Group 31 March		Company 31 March	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Beginning of financial year	**5,658**	5,766	**2,016**	2,016
Currency translation differences	**(29)**	(108)	**-**	-
End of financial year	**5,629**	5,658	**2,016**	2,016

16. FINANCIAL ASSETS HELD FOR TRADING

	Group and Company		
	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Beginning of financial year	**987**	994	970
Reclassification as at 1 April 2018 (Note 21(a), Note 2.2(f)(C))	**(987)**	-	-
Currency translation differences	**-**	(7)	24
End of financial year	**-**	987	994

Financial assets held for trading relate to credit-linked notes that present the Group and the Company with opportunities for return through interest income and fair value gains.

17. LOANS TO/FROM SUBSIDIARIES

	Company		
	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Loans to subsidiaries			
- Non-interest bearing	**24,739**	23,887	21,561
- Interest bearing	**28,939**	17,345	13,681
	53,678	41,232	35,242
Less: Allowance for impairment of loans to subsidiaries	**(23,713)**	(21,829)	(20,005)
	29,965	19,403	15,237
Loans from subsidiaries			
- Non-interest bearing	**1,826**	1,892	1,892
- Interest bearing	**58,594**	46,583	44,205
	60,420	48,475	46,097

Non-interest bearing loans to/from subsidiaries are unsecured and repayable on demand.

Interest bearing loans to subsidiaries bear effective interest at 0.49% (31 March 2018: 0.10%, 1 April 2017: 0.10%) per annum and are unsecured and repayable on demand.

Interest bearing loans from subsidiaries bear effective interest at 1.44% (31 March 2018: 1.08%, 1 April 2017: 1.20%) per annum and are unsecured and repayable on demand.

Movement in the allowance for impairment of loans to subsidiaries:

	Company	
	2019 $'000	**2018 $'000**
Beginning of financial year	**21,829**	20,005
Allowance made - Assets originated	**1,884**	1,824
End of financial year	**23,713**	21,829

18. INVENTORIES

	Group		
	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Raw materials	**205**	708	3,501
Finished goods	**3,363**	426	869
	3,568	1,134	4,370

The cost of inventories recognised as an expense and included in "cost of sales" amounted to $26,848,000 (31 March 2018: $28,047,000).

19. PROPERTIES HELD FOR SALE

As at 31 March 2019, the Group has the following properties held for sale:

Location	Description/Area	Terms of lease
(1) Singapore No. 12 Changi North Way	Industrial/ Gross floor: 23,881 sq metres	30 years from 16 January 2005 with an option to extend a further 30 years
(2) Singapore No. 16 Changi North Way	Industrial/ Gross floor: 11,320 sq metres	27 years 4 months from 1 September 2007 with an option to extend a further 30 years
(3) Singapore No. 85 Tuas South Avenue 1	Industrial/ Gross floor: 10,433 sq metres	30 years from 16 April 2007 with an option to extend a further 23 years
(4) People's Republic of China No. 3 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial/ Gross floor: 4,663 sq metres	50 years from 15 April 2003
(5) People's Republic of China No. 7 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial/ Gross floor: 6,038 sq metres	50 years from 15 April 2003
(6) People's Republic of China No. 18 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial/ Gross floor: 3,238 sq metres	50 years from 15 April 2003

As at 31 March 2019, properties held for sale amounting to $9,400,000 (31 March 2018: $9,132,000, 1 April 2017: $9,070,000) are pledged to the banks for banking facilities (Note 30). During the financial year, the Group disposed its property at 25 Changi North Rise, Singapore, at a gain of $5,890,000 (Note 6).

Independent professional valuations of the Group's properties held for sale have been performed by independent valuers with appropriate recognised professional qualifications and recent experience with the location and category of the properties being valued. The valuers have considered the direct comparison method for comparative properties and capitalisation approach in deriving the valuation of $93,888,000 (31 March 2018: $96,605,000, 1 April 2017: $99,659,000). Key inputs used in the valuations are the estimated annual net rent, internal rate of return and comparable sales in the area.

The fair values of properties held for sale are within level 3 of the fair value hierarchy.

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20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Beginning of financial year	**58,946**	66,153	**38,027**	45,634
Reclassification at 1 April 2018 (Note 2.2(f)C)	**(58,946)**	-	**(38,027)**	-
Currency translation differences	**-**	(350)	**-**	(350)
Additions	**-**	18,062	**-**	17,662
Fair value gains recognised in other comprehensive income (Note 34)	**-**	50	**-**	50
Disposals	**-**	(24,969)	**-**	(24,969)
End of financial year	**-**	58,946	**-**	38,027
Less: Current portion	**-**	(20,381)	**-**	(20,381)
Non-current portion	**-**	38,565	**-**	17,646

Available-for-sale financial assets are analysed as follows:

	Group		Company	
	31 March 2018 $'000	**1 April 2017 $'000**	**31 March 2018 $'000**	**1 April 2017 $'000**
Quoted securities – Singapore				
- Equity shares, at fair value	8,347	21,124	8,347	21,124
- Debt securities, at fair value	29,680	24,510	29,680	24,510
Unquoted securities				
- Equity shares, at fair value	400	-	-	-
- Equity shares, at cost (Note (a))	20,519	20,519	-	-
	58,946	66,153	38,027	45,634

See Note 21 for details relating to the unquoted equity security. The equity security was reclassified to financial assets, at FVOCI on adoption of SFRS(I) 9 on 1 April 2018 (Note 2.2(f)C).

21. INVESTMENT SECURITIES

	Group 2019 $'000	Company 2019 $'000
Financial assets, at FVPL	23,214	18,114
Financial assets, at FVOCI	37,141	5,715
Total	60,355	23,829
Less: Current portion	(15,811)	(15,811)
Non-current portion	44,544	8,018

(a) Financial assets, at FVPL

	Group 2019 $'000	Company 2019 $'000
Beginning of financial year	-	-
Reclassified from financial assets held for trading (Note 16)	987	987
Reclassified from available-for-sale financial assets (Note 2.2(f)C)	20,754	20,354
Balance at 1 April 2018	21,741	21,341
Additions	4,700	-
Fair value losses (Note 6)	(154)	(154)
Disposals	(3,073)	(3,073)
End of financial year	23,214	18,114

	Group 2019 $'000	Company 2019 $'000
Current		
Listed instruments:		
- Equity instruments – Singapore	5,934	5,934
- Debt instruments – Singapore	4,162	4,162
	10,096	10,096
Non-current		
Listed instruments:		
- Debt instruments – Singapore	8,018	8,018
Non-listed instruments:		
- Convertible loan	4,700	-
- Equity instruments – Singapore	400	-
	13,118	8,018
Total	23,214	18,114

The instruments are all mandatorily measured at fair value through profit or loss.

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21. INVESTMENT SECURITIES (CONT'D)

(b) Financial assets, at FVOCI

	Group	Company
	2019	2019
	$'000	$'000
Beginning of financial year	-	-
Reclassification from available-for-sale financial assets (Note 2.2(f)C)	38,192	17,673
Adoption of SFRS(I) 9 (Note 2.2(f)C)	10,676	-
Balance at 1 April 2018	48,868	17,673
Currency translation differences	5	5
Fair value gains/(losses)	200	(31)
Disposals	(11,932)	(11,932)
End of financial year	37,141	5,715

	Group	Company
	2019	2019
	$'000	$'000
Current assets		
Listed instruments:		
- Debt instruments – Singapore	5,715	5,715
Non-current assets		
Non-listed instrument:		
- Equity instrument	31,426	-
Total	37,141	5,715

The Group holds a 5.27% equity interest in Perennial Tongzhou Development Pte. Ltd. ("PTD"), which represents a 4.0% effective interest in Beijing Tongzhou Integrated Development (Phase 1), a mixed-use property project located in Tongzhou District, Beijing, The People's Republic of China.

The fair value of the investment is determined using an asset based valuation model taking into consideration the fair value of the underlying properties being developed by PTD.

The fair value of the underlying property is based on independent external valuation. The key assumptions used in the valuation include rental rates, expected sale proceeds, net lettable area, capitalisation rates, occupancy rates and adjustments to reflect the Group's minority stake in the investments.

22. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Building	Leasehold property and fitouts	Machinery and equipment	Furniture, office equipment and motor vehicles	Medical equipment and operating assets	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group							
2019							
Cost							
Beginning of financial year	**460**	**5,213**	**6,763**	**6,341**	**16,603**	**-**	**35,380**
Currency translation differences	**(19)**	**(213)**	**(277)**	**(105)**	**(278)**	**(2)**	**(894)**
Additions	**4,447**	**1,522**	**156**	**192**	**1,512**	**298**	**8,127**
Acquisition of subsidiaries (Note 42)	**-**	**-**	**-**	**-**	**396**	**368**	**764**
Disposals	**-**	**-**	**-**	**(193)**	**(497)**	**(36)**	**(726)**
Reclassifications	**-**	**-**	**-**	**21**	**(21)**	**-**	**-**
Grants received	**-**	**-**	**-**	**(92)**	**-**	**-**	**(92)**
End of financial year	**4,888**	**6,522**	**6,642**	**6,164**	**17,715**	**628**	**42,559**
Accumulated depreciation							
Beginning of financial year	**-**	**939**	**3,886**	**5,501**	**13,224**	**-**	**23,550**
Currency translation differences	**-**	**(40)**	**(223)**	**(88)**	**(225)**	**-**	**(576)**
Depreciation charge	**-**	**131**	**427**	**489**	**1,853**	**163**	**3,063**
Disposals	**-**	**-**	**-**	**(192)**	**(492)**	**(15)**	**(699)**
Reclassifications	**-**	**-**	**-**	**2**	**(2)**	**-**	**-**
End of financial year	**-**	**1,030**	**4,090**	**5,712**	**14,358**	**148**	**25,338**
Net book value							
End of financial year	**4,888**	**5,492**	**2,552**	**452**	**3,357**	**480**	**17,221**
2018							
Cost							
Beginning of financial year	443	5,019	5,126	7,292	16,849	-	34,729
Currency translation differences	17	194	(220)	(541)	(69)	-	(619)
Additions	-	-	1,862	393	1,428	-	3,683
Disposals	-	-	(5)	(803)	(1,605)	-	(2,413)
End of financial year	460	5,213	6,763	6,341	16,603	-	35,380
Accumulated depreciation							
Beginning of financial year	-	804	3,631	5,789	12,806	-	23,030
Currency translation differences	-	33	(164)	(490)	(59)	-	(680)
Depreciation charge	-	102	424	1,010	2,020	-	3,556
Disposals	-	-	(5)	(808)	(1,543)	-	(2,356)
End of financial year	-	939	3,886	5,501	13,224	-	23,550
Net book value							
End of financial year	460	4,274	2,877	840	3,379	-	11,830

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23. INVESTMENT PROPERTIES

	Land $'000	Building and other costs $'000	Total $'000
Group			
2019			
Cost			
Beginning of financial year	**4,519**	**158,050**	**162,569**
Additions	**53,600**	**5,973**	**59,573**
End of financial year	**58,119**	**164,023**	**222,142**
Accumulated depreciation			
Beginning of financial year	**1,938**	**31,804**	**33,742**
Depreciation charge	**344**	**5,938**	**6,282**
End of financial year	**2,282**	**37,742**	**40,024**
Net book value			
End of financial year	**55,837**	**126,281**	**182,118**
2018			
Cost			
Beginning of financial year	4,519	157,673	162,192
Additions	-	377	377
End of financial year	4,519	158,050	162,569
Accumulated depreciation			
Beginning of financial year	1,594	25,802	27,396
Depreciation charge	344	6,002	6,346
End of financial year	1,938	31,804	33,742
Net book value			
End of financial year	2,581	126,246	128,827

Investment properties are leased to non-related parties under operating leases (Note 37(b)).

The following amounts are recognised in profit and loss:

	Group	
	2019 $'000	2018 $'000
Rental income	**22,376**	22,531
Direct operating expenses arising from:		
- Investment properties that generate rental income	**5,024**	5,023
- Investment property that does not generate rental income	**283**	287

23. INVESTMENT PROPERTIES (CONT'D)

As at 31 March 2019, the details of the Group's investment properties are as follows:

Location	Description	Existing use	Terms of lease
10 Seletar Aerospace Heights	Industrial facilities	Rental	30 years from 1 June 2012
80 Boon Keng Road	Industrial facilities	Rental	Phase 1 - 30 years from 1 April 2011 with an option to extend a further 26 years Phase 2 – 30 years from 1 October 2013 with an option to extend a further 16 years
16 Tampines Industrial Crescent	Industrial facilities	Rental	30 years from 16 June 2012
26 Changi North Rise	Industrial facilities	Rental	30 years from 30 April 2010 with an option to extend a further 30 years
10 Changi North Way	Industrial facilities	Rental	24 years from 16 September 2010 with an option to extend a further 30 years
31 Tuas South Ave 10	Industrial facilities	Rental	30 years from 16 December 2013
10 Tukang Innovation Drive	Industrial facilities	Rental	30 years from 1 November 2013
36 Tuas Road	Industrial facilities	Rental	12 years from 1 October 2013 with an option to extend a further 30 years
Lot 10824P Mukim 17, Braddell Road	Industrial facilities	Construction in progress	30 years from 26 December 2018
Road No. 3, Nhon Trach II Industrial Park – Nhon Phu, Phu Hoi Commune, Nhon Trach District, Dong Nai Province	Industrial facilities	Construction in progress	39 years 2 months from 22 December 2017

As at 31 March 2019, investment properties amounting to $87,633,000 (31 March 2018: $33,499,000, 1 April 2017: $45,320,000) have been pledged to banks for banking facilities (Note 30).

Independent professional valuations of the Group's investment properties have been performed by independent valuers with appropriate recognised professional qualification and recent experience with the location and category of the properties being valued. The valuers have considered the direct comparison method for comparative properties, discounted cash flow method and capitalisation approach in deriving the valuation of $332,470,000 (31 March 2018: $249,310,000, 1 April 2017: $252,100,000). Key inputs used in the valuations are the estimated annual net rent, internal rate of return and comparable sales in the area.

The fair values of investment properties are within level 3 of the fair value hierarchy.

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24. INTANGIBLE ASSETS

	Trademarks	Contract backlogs	Others	Total
	$'000	$'000	$'000	$'000
Group				
2019				
Cost				
Beginning of financial year	**1,283**	**-**	**399**	**1,682**
Acquisition of subsidiaries (Note 42)	**-**	**951**	**-**	**951**
Additions	**-**	**-**	**738**	**738**
Currency translation differences	**(72)**	**-**	**-**	**(72)**
Write-off (Note 7)	**-**	**-**	**(44)**	**(44)**
End of financial year	**1,211**	**951**	**1,093**	**3,255**
Accumulated amortisation				
Beginning of financial year	**640**	**-**	**143**	**783**
Currency translation differences	**(43)**	**-**	**-**	**(43)**
Amortisation charge (Note 7)	**211**	**-**	**5**	**216**
End of financial year	**808**	**-**	**148**	**956**
Accumulated impairment				
Beginning and end of financial year	**-**	**-**	**162**	**162**
Net book value				
End of financial year	**403**	**951**	**783**	**2,137**

	Trademarks	Others	Total
	$'000	$'000	$'000
Group			
2018			
Cost			
Beginning of financial year	1,346	399	1,745
Currency translation differences	(63)	-	(63)
End of financial year	1,283	399	1,682
Accumulated amortisation			
Beginning of financial year	448	143	591
Currency translation differences	(29)	-	(29)
Amortisation charge (Note 7)	221	-	221
End of financial year	640	143	783
Accumulated impairment			
Beginning and end of financial year	-	162	162
Net book value			
End of financial year	643	94	737

Trademarks were acquired in 2010 as part of the acquisition of a subsidiary. The fair value was based on its intended use and the expected future economic benefit to be derived from the future operating cash inflows from products and services associated with the acquired trademarks.

Amortisation charge are presented in the consolidated income statement within administrative expenses.

25. INVESTMENTS IN ASSOCIATED COMPANIES

	Group	
	2019 **$'000**	**2018** **$'000**
Beginning of financial year	**588**	-
Acquisition of subsidiaries (Note 42)	**11,837**	-
Currency translation differences	**(154)**	(7)
Share of (loss)/profit, net of tax (Note 10)	**(195)**	1,975
Unrealised construction and project management margins	**(430)**	(345)
Reclassification to/(from) current liabilities (Note 29)	**1,229**	(1,035)
End of financial year	**12,875**	588

The associated companies are, in the opinion of the directors, not material to the Group.

The Company's subsidiary, Boustead Projects Limited ("BP"), has granted a proportional corporate guarantee to the bank as security for the loan of $10,241,000 (31 March 2018: $21,266,000, 1 April 2017: $28,799,000) granted to an associated company.

A subsidiary of the associated company had obtained bank financing for its development which BP has granted a proportional corporate guarantee as security for the loan. The outstanding loan amounted to $9,860,000 as at 31 March 2019 (31 March 2018:$9,979,000, 1 April 2017: $Nil).

There are no other contingent liabilities and capital commitments relating to the Group's interest in the associated companies.

26. INVESTMENTS IN JOINT VENTURES

	Group	
	2019 **$'000**	**2018** **$'000**
Beginning of financial year	**37,148**	32,354
Capital contribution	**15,190**	9,390
Share of (loss)/profits, net of tax (Note 10)	**(1,247)**	1,137
Unrealised construction and project management margins	**(7,818)**	(5,618)
Dividends received	**(2,600)**	(115)
End of financial year	**40,673**	37,148

26. INVESTMENTS IN JOINT VENTURES (CONT'D)

Set out below are the joint ventures held by the Company's subsidiary, Boustead Projects Limited ("BP"). The joint ventures are funded via a combination of share capital and shareholders' loans.

Name of entity	Principal activities	Country of business/ incorporation	% of ownership interest		
			31 March		1 April
			2019	2018	2017
Held by Boustead Projects Limited					
BP-Vista LLP [1]	Holding of property for rental income	Singapore	**30%**	30%	30%
BP-DOJO LLP [1]	Holding of property for rental income	Singapore	**51%**	51%	51%
BP-Ubi Development Pte Ltd and its subsidiary [1]	Holding of property for rental income	Singapore	**50%**	50%	50%
BP-SF Turbo LLP [1]	Holding of property for rental income	Singapore	**50%**	50%	50%
BP-CA3 LLP [1]	Holding of property for rental income	Singapore	**50%**	50%	50%
BP-AMC LLP [1][3]	Holding of property for rental income	Singapore	**51%**	-	-
BP-BBD2 Pte Ltd [1][3]	Holding of property for rental income	Singapore	**51%**	-	-
Snakepit-BP LLP [1][3]	Holding of property for rental income	Singapore	**28%**	-	-
Snakepit-BP 1 Pte Ltd [1][3]	Investment holding	Singapore	**5%**	-	-
Echo Base-BP Capital Pte Ltd [1][3]	Provide real estate consultancy and management services	Singapore	**50%**	-	-
EFactory Vietnam Co Ltd [2][3]	Provide real estate consultancy and management services	Vietnam	**50%**	-	-

[1] *Audited by PricewaterhouseCoopers LLP, Singapore*

[2] *Audited by RSM Vietnam Auditing & Consulting Company Limited*

[3] *Newly incorporated during the year*

The subsidiary of BP-Ubi Development Pte Ltd had obtained bank financing for development which the Group granted a proportional corporate guarantee as security for the loan. The outstanding loan amounted to $19,650,000 as at 31 March 2019 (31 March 2018: $20,450,000, 1 April 2017: $21,250,000). There are no other contingent liabilities relating to the Group's interest in the joint ventures. The Group has committed to provide funding if called, to its joint ventures amounting to $16,789,000 as at 31 March 2019 (31 March 2018: $9,150,000, 1 April 2017: $18,405,000).

The carrying amounts of the Group's material joint ventures, namely BP-Vista LLP and BP-DOJO LLP are as follows:

	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000
BP-Vista LLP	**8,738**	10,754	10,909
BP-DOJO LLP	**19,114**	20,264	16,861
Other joint ventures	**12,821**	6,130	4,584
	40,673	37,148	32,354

26. INVESTMENTS IN JOINT VENTURES (CONT'D)

The Group's share of results of its material joint ventures are as follows:

	Group	
	2019 $'000	**2018 $'000**
BP-Vista LLP	**676**	671
BP-DOJO LLP	**(2,492)**	(56)
Other joint ventures	**569**	522
	(1,247)	1,137

Summarised financial information for joint ventures

Set out below are the summarised financial information for BP-Vista LLP and BP-DOJO LLP.

Summarised statements of financial position

	BP-Vista LLP			BP-DOJO LLP		
	31 March		1 April	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**	**2019 $'000**	**2018 $'000**	**2017 $'000**
Current assets	**14,793**	13,779	7,273	**6,536**	13,678	10,164
Includes:						
- Cash and cash equivalents	**5,563**	7,129	3,589	**5,157**	3,265	3,744
Non-current assets	**124,942**	130,337	136,088	**184,452**	142,382	95,253
Current liabilities	**(4,072)**	(99,432)	(7,697)	**(8,270)**	(21,549)	(7,928)
Includes:						
- Financial liabilities (excluding trade and other payables)	**-**	(96,331)	-	**-**	(4,355)	(4,355)
- Other liabilities (including trade and other payables)	**(4,072)**	(3,101)	(7,697)	**(8,270)**	(17,194)	(3,573)
Non-current liabilities	**(96,331)**	-	(92,766)	**(125,862)**	(87,531)	**(64,080)**
Includes:						
- Financial liabilities	**(96,331)**	-	(92,766)	**(125,862)**	(87,531)	(64,080)
Net assets	**39,332**	44,684	42,898	**56,856**	46,980	**33,409**

26. INVESTMENTS IN JOINT VENTURES (CONT'D)

***Summarised financial information for joint ventures** (cont'd)*

Summarised statements of comprehensive income

	BP-Vista LLP For the financial year ended 31 March		BP-DOJO LLP For the financial year ended 31 March	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**
Revenue	**12,050**	11,347	**946**	-
Interest income	**53**	8	**23**	4
Expenses	**(10,455)**	(9,569)	**(6,172)**	(114)
Includes:				
- Depreciation and amortisation	**(5,395)**	(5,350)	**(3,036)**	-
- Interest expense	**(2,919)**	(2,492)	**(1,694)**	-
- Other expenses	**(2,141)**	(1,727)	**(1,442)**	(114)
Profit/(Loss) after income tax, representing total comprehensive income/(loss)	**1,648**	1,786	**(5,203)**	(110)
Share of profit/(loss), net of tax	**494**	536	**(2,654)**	(56)
Amortisation of previously capitalised unrealised gains and losses	**182**	135	**162**	-
Share of profit/(loss) after income tax, representing total comprehensive income/(loss)	**676**	671	**(2,492)**	(56)

The information above reflects the amounts presented in the financial statements of the joint ventures and the Group's share of those amounts, adjusted for differences in accounting policies between the Group and the joint ventures.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures, is as follows:

	BP-Vista LLP			BP-DOJO LLP		
	31 March		1 April	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**	**2019 $'000**	**2018 $'000**	**2017 $'000**
Net assets						
Beginning of financial year	**44,684**	42,898	43,861	**46,980**	33,409	-
Profit/(Loss) for the financial year	**1,648**	1,786	(963)	**(5,203)**	(110)	(7)
Dividends paid	**(7,000)**	-	-	**-**	-	-
Capital contribution	**-**	-	-	**15,079**	13,681	33,416
End of financial year	**39,322**	44,684	42,898	**56,856**	46,980	33,409
Interests in joint ventures (30%; 51%)	**11,799**	13,405	12,869	**28,997**	23,959	17,038
Unrealised construction and project management margins	**(3,061)**	(2,651)	(1,960)	**(9,883)**	(3,695)	(177)
Carrying value	**8,738**	10,754	10,909	**19,114**	20,264	16,861

27. INVESTMENTS IN SUBSIDIARIES

	Company		
	2019 $'000	2018 $'000	2017 $'000
Equity shares at cost			
Beginning of financial year	**102,709**	102,709	102,709
Additions	**18,878**	-	-
End of financial year	**121,587**	102,709	102,709
Less: Allowance for impairment losses	**(38,205)**	(38,205)	(34,505)
	83,382	64,504	68,204
Loans to subsidiaries	**23,240**	23,422	24,909
Less: Allowance for impairment of loans to subsidiaries	**(21,027)**	(15,729)	(16,148)
	2,213	7,693	8,761
	85,595	72,197	76,965

The loans to subsidiaries are unsecured and interest-free. The loans to subsidiaries are treated as part of investments in subsidiaries as the Company does not expect to demand repayment of the loans.

Movement in the allowance for impairment losses of equity shares:

	Company	
	2019 $'000	2018 $'000
Beginning of financial year	**38,205**	34,505
Allowance made	**-**	3,700
End of financial year	**38,205**	38,205

Movement in the allowance for impairment of loans to subsidiaries:

	Company	
	2019 $'000	2018 $'000
Beginning of financial year	**15,729**	16,148
Allowance made	**5,450**	-
Allowance written back	**(152)**	(419)
End of financial year	**21,027**	15,729

As at 31 March 2019 and 2018, there were write-backs of allowance for loan receivables as a portion of the loan receivables from its subsidiary has been repaid.

27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of significant subsidiaries as at 31 March 2019 and 2018 and 1 April 2017 are set out below:

Name of companies	Principal activities	Country of business/ incorporation	Equity holding as at		
			31 March		1 April
			2019 %	2018 %	2017 %
Significant subsidiaries held by the Company					
Boustead Projects Limited [1][11]	Design-and-build and develop industrial facilities and industrial parks for lease or sale	Singapore	**52.9**	53.0	51.2
Boustead Services Pte. Ltd. [1]	Provision of management services	Singapore	**100.0**	100.0	100.0
Esri Australia Pty Ltd [2]	Exclusive distributor for Esri geospatial technology and provider of professional services and training	Australia	**88.2**	88.2	88.2
Esri South Asia Pte Ltd [1]	Exclusive distributor for Esri geospatial technology and provider of professional services and training	Singapore	**88.2**	88.2	88.2
Boustead Salcon Water Solutions Pte. Ltd. [1]	Provide design, engineering and construction services of water and wastewater treatment plants	Singapore	**100.0**	100.0	100.0
Boustead Knowledge Pte. Ltd. [1]	Investment holding	Singapore	**100.0**	100.0	100.0
BIH Holdings Pte. Ltd. [1]	Investment holding	Singapore	**100.0**	100.0	100.0
Whiterock Incorporation Private Limited [8][12]	Investment holding	Singapore	**100.0**	-	-
Significant subsidiaries held by the Company's subsidiaries					
Boustead Projects E&C Pte. Ltd. [1][11]	Provide project management, design, construction and property-related services	Singapore	**52.9**	53.0	51.2
BP Engineering Solutions Sdn Bhd [10][11]	Provide project management, design, construction and property-related services	Malaysia	**52.9**	53.0	51.2
CN Logistics Pte. Ltd. [1][11]	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
Boustead Projects (Vietnam) Co. Ltd [7][11]	Provide project management, design, construction and property-related services	Vietnam	**52.9**	53.0	51.2
BP-UMS Pte. Ltd. [1][11][13]	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
BP-Tuas 1 Pte. Ltd. [1][11]	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
BP-CA Pte. Ltd. [1][11]	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
BP-SFN Pte. Ltd. [1][11]	Holding of property for rental income	Singapore	**52.9**	53.0	51.2

27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of companies	Principal activities	Country of business/ incorporation	Equity holding as at		
			31 March		1 April
			2019 %	2018 %	2017 %
Significant subsidiaries held by the Company's subsidiaries (cont'd)					
BP-BBD Pte. Ltd. (1)(11)	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
PIP Pte. Ltd. (1)(11)	Provide project management, design, construction and property-related services	Singapore	**52.9**	53.0	51.2
BP-EA Pte. Ltd. (1)(11)	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
BP-JCS Pte. Ltd. (1)(11)	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
BP Lands Sdn Bhd (10)(11)	Investment holding	Malaysia	**52.9**	53.0	51.2
BP-TN Pte. Ltd. (1)(11)	Holding of property for rental income	Singapore	**52.9**	53.0	51.2
Wuxi Boustead Industrial Development Co. Ltd (6)(11)	Development of industrial space for lease/sale	People's Republic of China	**52.9**	53.0	51.2
Boustead Real Estate Fund (1)(11)	Private business trust	Singapore	**52.9**	53.0	51.2
Boustead Trustees Pte. Ltd. (1)(11)	Trustee for real estate trust	Singapore	**52.9**	53.0	51.2
Boustead Funds Management Pte. Ltd. (1)(11)	Property fund management	Singapore	**52.9**	53.0	51.2
Boustead Property Services Pte. Ltd. (1)(11)	Management of properties	Singapore	**52.9**	53.0	51.2
BP-Braddell LLP (1)(12)	Holding of property for rental income	Singapore	**52.9**	-	-
CP-SH1 Pte. Ltd. (1)(12)	Investment holding	Singapore	**52.9**	-	-
Controls & Electrics Pte Ltd (1)	Design, engineering and supply of process control systems	Singapore	**78.8**	78.8	78.8
MapData Services Pty Ltd (2)	Provider of geospatial technology and data sets	Australia	**88.2**	88.2	88.2
Esri Malaysia Sdn Bhd (4)	Exclusive distributor for Esri geospatial technology and provider of professional services and training	Malaysia	**88.2**	88.2	88.2
Esri Singapore Pte Ltd (1)	Exclusive distributor for Esri geospatial technology and provider of professional services and training	Singapore	**88.2**	88.2	88.2
PT Esri Indonesia (5)	Exclusive distributor for Esri geospatial technology and provider of professional services and training	Indonesia	**88.2**	88.2	88.2
Boustead International Heaters Limited (3)	Provide design and engineering services, and supply of process heater systems and waste heat recovery units	United Kingdom	**100.0**	100.0	100.0

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27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of companies	Principal activities	Country of business/ incorporation	Equity holding as at		
			31 March		1 April
			2019 %	2018 %	2017 %
Significant subsidiaries held by the Company's subsidiaries (cont'd)					
Boustead International Heaters Pte. Ltd. (1)	Provide design and engineering services, and supply of process heater systems and waste heat recovery units	Singapore	**100.0**	100.0	100.0
BIH Heaters Malaysia Sdn Bhd (4)	Provide design and engineering services, and supply of process heater systems and waste heat recovery units	Malaysia	**100.0**	100.0	100.0
United BMEC Pte Ltd (8)(12)	Distribution of medical and rehabilitation equipment	Singapore	**100.0**	-	-
WhiteRock Medical Asia Pte. Ltd. (8)(12)	Distribution of medical devices	Singapore	**100.0**	-	-
WhiteRock Medical Limited (9)(12)	Distribution of medical and rehabilitation equipment	Hong Kong	**100.0**	-	-
Medisolution Pte. Ltd. (8)(12)	Manufacturers, designers, maintainers and dealers in biomedical and rehabilitation engineering products, apparatus of every description and other related activities	Singapore	**100.0**	-	-

(1) *Audited by PricewaterhouseCoopers LLP, Singapore*
(2) *Audited by PricewaterhouseCoopers, Australia*
(3) *Audited by PricewaterhouseCoopers LLP, United Kingdom*
(4) *Audited by PricewaterhouseCoopers, Malaysia*
(5) *Audited by Doli, Bambang, Sulistiyanto, Dadang & Ali, Indonesia*
(6) *Audited by Zhonghui Certified Public Accountants LLP Wuxi Branch, China*
(7) *Audited by RSM Vietnam Auditing & Consulting Company Limited*
(8) *Audited by Baker Tilly TFW LLP, Singapore*
(9) *Audited by independent member of Baker Tilly International*
(10) *Audited by KPMG PLT, Malaysia*
(11) *Changes in equity holding are resultant from purchase/re-issuance of treasury shares by Boustead Projects Limited*
(12) *Acquired/incorporated during the financial year*
(13) *In the process of voluntary liquidation/strike-off*

27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Carrying value of non-controlling interests

	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Boustead Projects Limited and its subsidiaries ("BP Group")	**132,341**	114,616	111,278
Other subsidiaries	**13,866**	12,015	11,717
	146,207	126,631	122,995

Summarised financial information of a subsidiary with material non-controlling interests

Set out below are the summarised financial information for a subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no material transactions with non-controlling interests for the financial years ended 31 March 2019 and 2018.

Summarised consolidated statement of financial position

	BP Group		
	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Current			
Assets	**294,473**	240,518	258,288
Liabilities	**(196,613)**	(118,952)	(145,346)
Total current net assets	**97,860**	121,566	112,942
Non-current			
Assets	**271,473**	195,132	194,545
Liabilities	**(88,303)**	(72,597)	(78,109)
Total non-current net assets	**183,170**	122,535	116,436
Net assets	**281,030**	244,101	229,378

Summarised consolidated statement of comprehensive income

	BP Group For the financial year ended 31 March	
	2019 $'000	**2018 $'000**
Revenue	**234,223**	169,635
Profit before income tax	**35,675**	35,452
Income tax expense	**(5,097)**	(6,301)
Profit after tax	**30,578**	29,151
Other comprehensive (loss)/income	**(223)**	1,405
Total comprehensive income	**30,355**	30,556
Total comprehensive income allocated to non-controlling interests	**14,400**	14,139
Dividends paid to non-controlling interests	**(2,182)**	-

27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Summarised consolidated cash flows

	BP Group For the financial year ended 31 March	
	2019 $'000	**2018 $'000**
Net cash (used in)/provided by operating activities	**(38)**	25,204
Net cash (used in)/provided by investing activities	**(74,114)**	7,468
Net cash provided by/(used in) financing activities	**71,132**	(34,997)

28. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Group		
	31 March		1 April
	2019 $'000	**2018 $'000**	**2017 $'000**
Deferred tax assets	**5,165**	1,625	1,926
Deferred tax liabilities	**(4,051)**	(3,784)	(3,204)
	1,114	(2,159)	(1,278)

The movement in the net deferred income tax account is as follows:

	Group	
	2019 $'000	**2018 $'000**
Beginning of financial year	**(2,159)**	(1,278)
Currency translation differences	**(166)**	(75)
Charged to profit or loss (Note 11(a))	**3,439**	(806)
End of financial year	**1,114**	(2,159)

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. As at 31 March 2019, the Group has unrecognised tax losses and unrecognised capital allowances of $48,208,000 (31 March 2018: $42,256,000, 1 April 2017: $38,454,000) which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry date.

As at 31 March 2019, deferred income tax liabilities of $1,581,000 (31 March 2018: $1,742,000, 1 April 2017: $1,612,000) have not been recognised for the withholding and other taxes that will be payable on the earnings of overseas subsidiaries when remitted to the holding company. These unremitted profits are permanently reinvested and amount to $9,500,000 (31 March 2018: $10,286,000, 1 April 2017: $9,225,000).

28. DEFERRED INCOME TAXES (CONT'D)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Group

Deferred income tax liabilities

	Revenue currently not assessable for tax but recognised for accounting	Expenditure currently deductible for tax but not recognised for accounting	Accelerated tax depreciation	Others	Total
	$'000	$'000	$'000	$'000	$'000
2019					
Beginning of financial year	**(3,154)**	**(206)**	**(3,779)**	**(5)**	**(7,144)**
Currency translation differences	**(150)**	**(4)**	**-**	**84**	**(70)**
Credited/(Charged) to profit or loss	**1,676**	**123**	**(216)**	**(179)**	**1,404**
End of financial year	**(1,628)**	**(87)**	**(3,995)**	**(100)**	**(5,810)**
2018					
Beginning of financial year	(1,935)	(79)	(3,171)	(33)	(5,218)
Currency translation differences	-	-	53	1	54
(Charged)/Credited to profit or loss	(1,219)	(127)	(661)	27	(1,980)
End of financial year	(3,154)	(206)	(3,779)	(5)	(7,144)

Deferred income tax assets

	Unrealised construction and project management margins	Revenue assessed for tax but not recognised for accounting	Expenditure currently not deductible for tax but recognised for accounting	Provisions	Total
	$'000	$'000	$'000	$'000	$'000
2019					
Beginning of financial year	**-**	**446**	**1,262**	**3,277**	**4,985**
Currency translation differences	**-**	**11**	**51**	**(158)**	**(96)**
Credited/(Charged) to profit or loss	**3,196**	**(309)**	**(665)**	**(187)**	**2,035**
End of financial year	**3,196**	**148**	**648**	**2,932**	**6,924**
2018					
Beginning of financial year	-	198	774	2,968	3,940
Currency translation differences	-	-	-	(129)	(129)
Credited to profit or loss	-	248	488	438	1,174
End of financial year	-	446	1,262	3,277	4,985

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29. TRADE AND OTHER PAYABLES

	Group			Company		
	2019 $'000	**2018 $'000**	**2017 $'000**	**2019 $'000**	**2018 $'000**	**2017 $'000**
Current						
Trade payables to non-related parties	**43,733**	38,369	28,971	**-**	-	-
Retention sum payables	**10,019**	17,242	21,008	**-**	-	-
Accruals for contract costs	**68,207**	63,361	74,206	**-**	-	-
Accruals for operating expenses	**28,222**	24,153	22,068	**299**	441	431
Provision for onerous contracts	**1,631**	2,729	1,037	**-**	-	-
Other payables	**8,598**	5,774	8,746	**678**	608	667
Deposits received	**4,158**	3,966	4,306	**-**	-	-
Advanced billings						
- property rental income	**3,118**	-	-	**-**	-	-
Dividends payable to non-controlling interests	**105**	102	279	**-**	-	-
	167,791	155,696	160,621	**977**	1,049	1,098
Non-current						
Retention sum payables	**4,572**	3,418	4,973	**-**	-	-
Other payables	**1,586**	675	918	**-**	-	-
	6,158	4,093	5,891	**-**	-	-

Included in accruals for operating expenses is share of accumulated loss from investment in an associated company amounting to $1,229,000 (31 March 2018: $Nil, 1 April 2017: $1,035,000).

Provision for onerous contracts is made when the estimated total contract costs is expected to exceed the total contract revenue. This provision is expected to be utilised as these contracts progress towards completion.

	Group	
	2019 $'000	**2018 $'000**
Beginning of financial year	**2,729**	1,037
Currency translation differences	**(16)**	(182)
Provision made	**3,474**	3,180
Provision utilised	**(3,893)**	(1,306)
Reversal of provision	**(663)**	-
End of financial year	**1,631**	2,729

30. BORROWINGS

	Group		
	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000
Bank borrowings			
- Current	**67,840**	5,095	18,295
- Non-current	**79,757**	65,409	70,059
Total	**147,597**	70,504	88,354

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the reporting date are as follows:

	Group		
	31 March		1 April
	2019 $'000	2018 $'000	2017 $'000
3 months or less	**105,154**	70,504	88,354

(a) Security granted

Total borrowings include secured liabilities of $147,597,000 (31 March 2018: $70,504,000, 1 April 2017: $88,354,000) for the Group. Bank borrowings are secured over a banker's guarantee given in favour of the Group and the Group's properties held for sale (Note 19) and investment properties (Note 23).

(b) Fair value of non-current borrowings

At the end of the reporting period, carrying amounts of non-current borrowings of $38,534,000 approximates their fair values as all the amounts are at floating interest rates and are revised every one to three months.

Non-current borrowings of $41,223,000 with fixed interest rates have fair value of $40,769,000, which is computed based on the present value of the cash flows on the borrowings discounted at a rate of 3.32%, which is the borrowing rate that the directors expected would be available to the Group at the reporting date.

The fair value of borrowings are within level 2 of the fair values hierarchy.

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31. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			Company		
	Contract notional amount	Fair value		Contract notional amount	Fair value	
		Asset	Liability		Asset	Liability
	$'000	$'000	$'000	$'000	$'000	$'000
31 March 2019						
Derivatives held for hedging:						
Cash-flow hedges						
- Interest rate swaps	**42,914**	**13**	**(31)**	**-**	**-**	**-**
Derivatives not held for hedging:						
- Currency forwards	**37,044**	**221**	**(272)**	**7,879**	**-**	**(272)**
		234	**(303)**		**-**	**(272)**
31 March 2018						
Derivatives not held for hedging:						
- Currency forwards	21,762	-	(625)	5,099	-	(280)
		-	(625)		-	(280)
1 April 2017						
Derivatives not held for hedging:						
- Currency forwards	5,241	-	(653)	5,241	-	(653)
		-	(653)		-	(653)

32. PENSION LIABILITY

The Group operates a funded defined benefit pension scheme in the United Kingdom and an unfunded defined benefit pension scheme in Indonesia.

	Group		
	2019 $'000	2018 $'000	2017 $'000
The amount recognised in the statement of financial position relates to funded and unfunded plans is as follows:			
Present value of funded obligation	**25,002**	25,004	24,285
Fair value of plan assets	**(22,433)**	(22,595)	(21,668)
Deficit of funded plans	**2,569**	2,409	2,617
Present value of unfunded obligation	**262**	253	319
Total deficit of defined benefit pension plans	**2,831**	2,662	2,936

32. PENSION LIABILITY (CONT'D)

(a) Funded defined benefit pension scheme in the United Kingdom

The defined benefit pension scheme is funded by the payment of contributions to a separately administered trust fund.

The pension costs for the defined benefit pension scheme are determined with the advice of an independent qualified actuary. The significant assumptions used were as follows:

Key assumptions used by the actuary

	2019	2018
Discount rate (per annum)	**2.50%**	2.65%
Rate of price inflation (per annum)	**3.35%**	3.20%
Rate of increase in salaries (per annum)	**2.35%**	2.20%
Post-retirement mortality assumption	**100% of S2PXA, CMI 2017 projections, 1.25% per annum long-term rate of improvement**	100% of S2PXA, CMI 2017 projections, 1.25% per annum long-term rate of improvement

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the key assumptions is:

- a 0.10% (2018: 0.10%) decrease in discount rate would increase liabilities by $406,000 (2018: $405,000).
- a 0.10% (2018: 0.10%) increase in rate of price inflation would increase liabilities by $388,000 (2018: $386,000).
- a 0.25% (2018: 0.25%) increase in mortality long-term rate would increase liabilities by $247,000 (2018: $221,000).

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the attained age method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

32. PENSION LIABILITY (CONT'D)

(a) Funded defined benefit pension scheme in the United Kingdom (cont'd)

Reconciliation to statement of financial position

The movement in the present value of obligation and fair value of plan assets are as follows:

	Present value of obligation	Fair value of plan assets	Total
	$'000	$'000	$'000
2019			
Beginning of financial year	**25,004**	**(22,595)**	**2,409**
Past service cost	**137**	**-**	**137**
Interest expense/(income)	**631**	**(578)**	**53**
	768	**(578)**	**190**
Re-measurements:			
- Gain on plan assets, excluding amounts included in interest income	**-**	**(371)**	**(371)**
- Loss from change in financial assumptions	**947**	**-**	**947**
	947	**(371)**	**576**
Currency translation differences	**(936)**	**933**	**(3)**
Contributions:			
- Employers	**-**	**(603)**	**(603)**
Payment from plans:			
- Benefit payments	**(781)**	**781**	**-**
End of financial year	**25,002**	**(22,433)**	**2,569**
2018			
Beginning of financial year	24,285	(21,668)	2,617
Current service cost	79	-	79
Interest expense/(income)	655	(592)	63
	734	(592)	142
Re-measurements:			
- Loss on plan assets, excluding amounts included in interest income	-	413	413
- Gain from change in demographic assumptions	(165)	-	(165)
- Gain from change in financial assumptions	(89)	-	(89)
	(254)	413	159
Currency translation differences	977	(842)	135
Contributions:			
- Employers	-	(644)	(644)
- Plan participants	23	(23)	-
Payment from plans:			
- Benefit payments	(761)	761	-
End of financial year	25,004	(22,595)	2,409

32. PENSION LIABILITY (CONT'D)

(a) Funded defined benefit pension scheme in the United Kingdom (cont'd)

Pension plan assets

Plan assets are comprised as follows:

	Group	
	2019 $'000	**2018 $'000**
Diversified growth funds	**8,973**	8,811
Index-linked bonds	**8,300**	5,197
Other bonds	**5,160**	8,587
	22,433	22,595

Majority of the plan assets are quoted in an active market. The plan assets do not include any investment in shares of the Company or any assets used by the Group.

Through its defined benefit pension scheme, the Group is exposed to two primary risks which are detailed below:

Inflation risk	The majority of the plan's defined benefit obligations are linked to inflation and an increase in inflation will lead to higher liabilities. Risk is mitigated through investment in index-linked bonds and caps on annual increases in pensions and pensionable salaries.
Life expectancy	The defined benefit obligations have been valued based on assumptions regarding mortality. A relatively small number of plan members, combined with a wide distribution of pensionable salary and pension levels, increases the risk of volatility in the valuation of those obligations over time. However, the plan has fairly matured demographically and has been closed to new members since 2002.

The Group ensures that the plan's investment portfolio is managed in accordance with an agreed investment policy. The principal objectives of the investment policy are to ensure that the plan can meet its obligations as they fall due and to manage the expected volatility of returns over time in order to control the level of volatility in the plan's required contribution levels. The investment policy also sets benchmark allocations between growth-driven and protection-driven asset classes. The allocation between these classes is periodically reviewed and adjusted if necessary to match the plan's obligations accordingly.

The Group has agreed with the trustees to reduce the funding deficit where necessary and the expected amount for the year ending 31 March 2020 is approximately $749,000. Additional contributions will be agreed with the trustees when necessary.

The weighted average duration of the defined benefit obligation is 18 years (2018: 16 years).

32. PENSION LIABILITY (CONT'D)

(b) Unfunded defined benefit pension scheme in Indonesia

The pension costs for the defined benefit pension scheme are determined with the advice of an independent qualified actuary. The significant assumptions used were as follows:

Key assumptions used by the actuary

	2019	2018
Discount rate (per annum)	**8.30%**	7.40%
Rate of increase in salaries (per annum)	**5.00%**	7.00%
Post-retirement mortality assumption	**Indonesia – III (2011)**	Indonesia - III (2011)

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the key assumptions is:

- a 1.00% (2018: 1.00%) decrease in discount rate would increase liabilities by $24,000 (2018: $30,000).
- a 1.00% (2018: 1.00%) increase in discount rate would decrease liabilities by $20,000 (2018: $25,000).

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

32. PENSION LIABILITY (CONT'D)

(b) Unfunded defined benefit pension scheme in Indonesia (cont'd)

Reconciliation to statement of financial position

The movement in the present value of obligation is as follows:

	Present value of obligation
	$'000
2019	
Beginning of financial year	**253**
Current service cost	**79**
Interest expense	**19**
	98
Re-measurements:	
- Gain from change in financial assumptions	**(81)**
- Experience losses	**15**
	(66)
Currency translation differences	**(1)**
Payment from plans:	
- Benefit payments	**(22)**
End of financial year	**262**
2018	
Beginning of financial year	319
Current service cost	88
Interest expense	23
	111
Re-measurements:	
- Loss from change in financial assumptions	13
- Experience gains	(27)
	(14)
Currency translation differences	(37)
Payment from plans:	
- Benefit payments	(126)
End of financial year	253

The weighted average duration of the defined benefit obligation is 22 years (2018: 23 years).

33. SHARE CAPITAL AND TREASURY SHARES

	No. of ordinary shares		Amount	
	Issued share capital '000	**Treasury shares '000**	**Issued share capital $'000**	**Treasury shares $'000**
Group and Company				
2019				
Beginning of financial year	**540,432**	**(47,447)**	**104,555**	**(35,285)**
Cancellation of treasury shares	**(45,447)**	**45,447**	**(33,797)**	**33,797**
End of financial year	**494,985**	**(2,000)**	**70,758**	**(1,488)**
2018				
Beginning of financial year	540,432	(18,311)	104,555	(13,048)
Treasury shares re-issued	-	177	-	126
Purchase of treasury shares	-	(29,313)	-	(22,363)
End of financial year	540,432	(47,447)	104,555	(35,285)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

The Company re-issued 177,182 treasury shares during the financial year ended 31 March 2018 pursuant to the Boustead Restricted Share Plan 2011 (Note 33(a)). The cost of the treasury shares re-issued amounted to $126,000.

The Company acquired 29,313,000 shares in the open market during the financial year ended 31 March 2018. The total amount paid to acquire the shares was $22,363,000 and this was presented as a component within shareholders' equity. The Company subsequently cancelled 45,447,000 treasury shares during the financial year ended 31 March 2019.

(a) Employee share plans – Boustead Restricted Share Plan 2011 (the "2011 Share Plan")

The 2011 Share Plan was approved by the members of the Company at its Extraordinary General Meeting on 13 October 2011. Under the 2011 Share Plan, all deserving executive employees and non-executive directors of the Company as well as associates of controlling shareholders separately approved by independent members of the Company are eligible to participate in the 2011 Share Plan at the discretion of a committee duly authorised by the Board of Directors.

Awards granted under the 2011 Share Plan may be subject to performance-based restrictions where eligible participants are invited to participate. Performance-based restricted awards will vest after a further period of service beyond the performance target completion date.

Participants are not required to pay for the grant of the awards. Awards are forfeited when the participant leaves the Group before the awards vest.

33. SHARE CAPITAL AND TREASURY SHARES (CONT'D)

(a) Employee share plans – Boustead Restricted Share Plan 2011 (the "2011 Share Plan") (cont'd)

Details of the shares under the 2011 Share Plan outstanding during the year were as follows:

	2018
Group and Company	
Outstanding at beginning of financial year	**177,182**
Vested and issued during the year	**(177,182)**
Outstanding at end of financial year	**-**

The fair value of the share awards granted under the 2011 Share Plan was determined based on the market share price at the grant date. The remaining share awards were vested in 2018.

There are no outstanding shares under the 2011 Share Plan as at 31 March 2019 and 2018.

(b) Employee share plans – Boustead Projects Restricted Share Plan 2016 (the "2016 Share Plan")

The 2016 Share Plan was approved by the members of Boustead Projects Limited ("BP"), the Company's subsidiary, at its Extraordinary General Meeting on 28 July 2016. Under the 2016 Share Plan, all eligible executive employees, non-executive directors of BP as well as associates of controlling shareholders of BP are invited to participate in the 2016 Share Plan. The selection of an eligible participant shall be determined at the absolute discretion of the committee appointed by the Board to administer the 2016 Share Plan. The participation of an associate of controlling shareholders shall be approved by independent members of BP.

Awards granted under the 2016 Share Plan may be subject to performance-based and time-based restrictions. Performance-based restricted awards will vest after a further period of service beyond the performance target completion date. Time-based restricted awards granted under the 2016 Share Plan will vest only after satisfactory completion of time-based service conditions, that is, after the participant has served BP for a specified number of years.

Participants are not required to pay for the grant of the awards. Awards are forfeited when the participant leaves BP before the awards vest.

Details of the shares in BP under the 2016 Share Plan outstanding during the year are as follows:

	2019	2018
Number of shares		
Outstanding at beginning of financial year	**1,024,040**	-
Granted during the year	**1,564,887**	1,420,177
Forfeited during the year	**-**	(41,092)
Vested during the year	**(800,842)**	(355,045)
Outstanding at end of financial year	**1,788,085**	1,024,040

In 2019, the fair value of the shares granted under 2016 Share Plan was $0.81 (2018: $0.86) each. The fair value was determined based on the market share price at the grant date.

The weighted average share price at the date of vesting for awards vested during the financial year was $0.83 (2018: $0.87). The share awards outstanding at the end of the financial year had a weighted average remaining contractual life of 2 years (2018: 3 years).

The Group recognised total expenses of $538,000 (2018: $1,314,000) relating to such equity settled share-based compensation transactions during the financial year.

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34. OTHER RESERVES

	Fair value reserve $'000	Capital reserve $'000	Share-based compensation reserve $'000	Hedging reserve $'000	Foreign currency translation reserve $'000	Total $'000
Group						
2019						
Balance as at 31 March 2018	**592**	**(13,065)**	**725**	**-**	**2,444**	**(9,304)**
Adoption of SFRS(I) 9 (Note 2.2(c))	**5,095**	**-**	**-**	**-**	**-**	**5,095**
Balance as at 1 April 2018	**5,687**	**(13,065)**	**725**	**-**	**2,444**	**(4,209)**
Financial assets, at FVOCI						
- Fair value gains	**547**	**-**	**-**	**-**	**-**	**547**
- Reclassification to profit or loss on disposal (Note 6)	**(347)**	**-**	**-**	**-**	**-**	**(347)**
Cash flow hedges						
- Fair value losses	**-**	**-**	**-**	**(17)**	**-**	**(17)**
Net currency translation differences arising from consolidation	**-**	**-**	**-**	**-**	**(3,483)**	**(3,483)**
Less: Non-controlling interests	**(109)**	**-**	**-**	**8**	**382**	**281**
Other comprehensive income/(loss) for the year	**91**	**-**	**-**	**(9)**	**(3,101)**	**(3,019)**
Employee share-based compensation						
- Value of employee services	**-**	**-**	**284**	**-**	**-**	**284**
- Treasury shares re-issued by a subsidiary	**-**	**348**	**(355)**	**-**	**1**	**(6)**
Effects of acquisition of shares from non-controlling interests	**-**	**(7)**	**-**	**-**	**2**	**(5)**
End of financial year	**5,778**	**(12,724)**	**654**	**(9)**	**(654)**	**(6,955)**
2018						
Balance as at 31 March 2017	1,278	(8,781)	692	-	(20,959)	(27,770)
Adoption of SFRS(I) 1 (Note 2.2(c))	-	-	-	-	20,959	20,959
Balance as at 1 April 2017	1,278	(8,781)	692	-	-	(6,811)
Available-for-sale financial assets						
- Fair value gains	50	-	-	-	-	50
- Reclassification to profit or loss on disposal (Note 6)	(736)	-	-	-	-	(736)
Net currency translation differences arising from consolidation	-	-	-	-	2,960	2,960
Less: Non-controlling interests	-	-	-	-	(491)	(491)
Other comprehensive (loss)/income for the year	(686)	-	-	-	2,469	1,783
Employee share-based compensation						
- Value of employee services	-	-	688	-	-	688
- Treasury shares re-issued	-	206	(332)	-	-	(126)
- Treasury shares re-issued by a subsidiary	-	162	(162)	-	-	-
Purchase of treasury shares by a subsidiary	-	(4,652)	(161)	-	(25)	(4,838)
End of financial year	592	(13,065)	725	-	2,444	(9,304)

34. OTHER RESERVES (CONT'D)

	Fair value reserve $'000	Capital reserve $'000	Share-based compensation reserve $'000	Total $'000
Company				
2019				
Balance as at 31 March 2018	**592**	**2,135**	**-**	**2,727**
Adoption of SFRS(I) 9 (Note 2.2(c))	**(554)**	**-**	**-**	**(554)**
Balance as at 1 April 2018	**38**	**2,135**	**-**	**2,173**
Financial assets, at FVOCI				
- Fair value gains	**316**	**-**	**-**	**316**
- Reclassification to profit or loss on disposal	**(347)**	**-**	**-**	**(347)**
Other comprehensive loss for the year	**(31)**	**-**	**-**	**(31)**
End of financial year	**7**	**2,135**	**-**	**2,142**
2018				
Beginning of financial year	1,278	1,929	332	3,539
Available-for-sale financial assets				
- Fair value gains	50	-	-	50
- Reclassification to profit or loss on disposal	(736)	-	-	(736)
Other comprehensive loss for the year	(686)	-	-	(686)
Employee share-based compensation				
- Treasury shares re-issued	-	206	(332)	(126)
End of financial year	592	2,135	-	2,727

35. RETAINED PROFITS

(a) Retained profits of the Group are distributable except for accumulated retained profits of associated companies and joint ventures amounting to $3,897,000 (31 March 2018: $2,344,000, 1 April 2017: $394,000) and 10% of accumulated retained profits of a China subsidiary amounting to $233,000 (31 March 2018: $177,000, 1 April 2017: $121,000). Retained profits of the Company are distributable.

(b) Movement in retained profits for the Company is as follows:

	Company 2019 $'000	Company 2018 $'000
Balance as at 31 March	**67,513**	70,777
Adoption of SFRS(I) 9 (Note 2.2(c))	**554**	-
Balance as at 1 April	**68,067**	70,777
Profit for the financial year	**1,945**	9,791
Dividends paid		
- In cash (Note 36)	**(14,789)**	(13,055)
End of financial year	**55,223**	67,513

36. DIVIDENDS

	Company	
	2019 **$'000**	**2018** **$'000**
2.0 cents (2018: 1.5 cents) final tax-exempt (one-tier) cash dividend per ordinary share paid in respect of the previous financial year	**9,859**	7,834
1.0 cent (2018: 1.0 cent) interim tax-exempt (one-tier) cash dividend per ordinary share paid in respect of the financial year ended 31 March 2019	**4,930**	5,221
	14,789	13,055

At the Annual General Meeting on 26 July 2019, a final tax-exempt (one-tier) cash/scrip dividend of 2.0 cents per ordinary share amounting to approximately $9,860,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2020.

37. COMMITMENTS

(a) Operating lease commitments - where the Group is a lessee

The Group leases land and offices from non-related parties and a joint venture under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	Group		
	31 March		1 April
	2019 **$'000**	**2018** **$'000**	**2017** **$'000**
Not later than one financial year	**4,342**	4,745	3,236
Between two and five financial years	**9,681**	9,372	5,853
Later than five financial years	**48,320**	49,937	1,316
	62,343	64,054	10,405

Operating lease payments represent rentals payable by the Group for the leases of leasehold land and office premises and are subjected to revisions of periodic intervals. The operating lease commitments estimated above are determined based on prevailing rental rates at the reporting date and office space rent rates per lease agreements.

For the Group's properties located in Singapore, the Group is required to pay Jurong Town Corporation annual land rent in respect of certain of its investment properties. The annual land rent is based on market rent in the relevant year of the current lease term and the lease provides that any increase in annual land rent from year to year shall not exceed 5.5% of the annual land rent for the immediate preceding year. The leases are non-cancellable with remaining lease terms of up to 25 years as at 31 March 2019, with options to renew up to a further 30 years for some of the leases. The land rent paid/payable based on prevailing rental rates for the current financial year approximates $3,854,000 (2018: $4,138,000).

37. COMMITMENTS (CONT'D)

(b) Operating lease commitments - where the Group is a lessor

The Group leases out industrial space to non-related parties under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease receivables under non-cancellable operating leases contracted for at the reporting date but not recognised as receivables, are as follows:

	Group		
	31 March		1 April
	2019 **$'000**	**2018** **$'000**	**2017** **$'000**
Not later than one financial year	**26,930**	27,797	28,852
Between two and five financial years	**94,453**	79,173	77,071
Later than five financial years	**76,361**	78,185	94,934
	197,744	185,155	200,857

Operating lease receivables are subjected to revisions at periodic intervals based on terms and conditions of the lease agreements.

38. CONTINGENCIES

(a) As at 31 March 2019, the Group and/or Company has the following guarantees whereby the directors are of the view that it is more likely than not that no amount will be payable under these arrangements.

(i) The Company has given guarantees for banking facilities granted to its subsidiaries in respect of performance on certain contracts entered into by its subsidiaries in favour of third parties amounting to $3,784,000 at 31 March 2019 (31 March 2018: $2,280,000, 1 April 2017: $2,833,000).

(ii) The Group and the Company have procured performance guarantees amounting to $117,524,000 (31 March 2018: $64,896,000, 1 April 2017: $64,818,000) and $20,672,000 (31 March 2018: $14,670,000, 1 April 2017: $17,962,000) respectively issued by banks in favour of third parties in respect of performance on contracts with customers.

(iii) The Group and the Company have given performance guarantees amounting to $315,000 (31 March 2018: $1,193,000, 1 April 2017: $9,347,000) and $Nil (31 March 2018: $Nil, 1 April 2017: $9,347,000) respectively issued to third parties.

(iv) The Company's subsidiary, Boustead Projects Limited, has given guarantees in favour of banks in respect of loan facilities granted to an associated company, a related party and a joint venture. The outstanding guarantees amount to $16,860,000 (31 March 2018: $21,160,000, 1 April 2017: $20,704,000) at 31 March 2019.

38. CONTINGENCIES (CONT'D)

(b) The Company's subsidiary, Boustead Projects Limited, has an unresolved legal case relating to a dispute with a third party. On 27 November 2018, Boustead Projects Limited was served with a writ of summons (Suit No 1141 of 2018), filed by YCH Holdings (Pte) Ltd ("YCH") in the High Court of the Republic of Singapore (the "Suit"). YCH is claiming

(i) a declaration that Boustead Projects Limited has breached contractual obligations it allegedly owed to YCH in connection with a development project known as Supply Chain City;

(ii) damages to be assessed in respect of the Boustead Projects Limited's alleged breach of the contract referred to in (i) above;

in the alternative to (i) and (ii) above, damages in tort (for alleged fraudulent misrepresentation/tort of deceit) in the sum of $2,335,000, interest, costs and such further relief which the Court deems fit. The claim refers to matters which are said to have occurred between 2012 to 2014. As the case is at an early stage in proceedings, it is not possible to determine the likelihood or amount of any settlement, should the Group be unsuccessful in defending the case.

39. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. The Group uses financial instruments such as currency forwards to hedge certain financial risk exposures.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management team then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by finance personnel.

(a) Market risk

(i) Currency risk

The Group operates in Asia Pacific, Australia, North and South America, Europe, Middle East and Africa with dominant operations in Asia Pacific and Australia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency exchange risk arises within entities in the Group when transactions are denominated in foreign currencies such as United States Dollar ("USD"), Singapore Dollar ("SGD"), Malaysian Ringgit ("MYR"), Euro Dollar ("EUR") and Australian Dollar ("AUD"). Exposure to exchange fluctuation risks is managed as far as possible by natural hedges of matching revenue and costs and using derivatives such as foreign currency forward exchange contracts.

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations in the United Kingdom, Australia, Indonesia, China and Malaysia are managed primarily through natural hedges of matching assets and liabilities and management reviews periodically so that the net exposure is kept at an acceptable level.

The Group utilised currency derivatives to hedge significant transactions and cash flows. The Group is party to a variety of foreign exchange forward contracts in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Group's principal currency exposure based on the information provided to key management is as follows:

	USD	SGD[1]	MYR	EUR	AUD
	$'000	$'000	$'000	$'000	$'000
At 31 March 2019					
Financial assets					
Cash and cash equivalents	**20,212**	**14,697**	**-**	**320**	**38**
Trade receivables	**13,632**	**-**	**-**	**8,384**	**-**
Other receivables and prepayments	**1,038**	**-**	**-**	**63**	**-**
Investment securities	**2,709**	**-**	**-**	**-**	**-**
Intercompany receivables	**2,392**	**122**	**3,049**	**-**	**-**
	39,983	**14,819**	**3,049**	**8,767**	**38**
Financial liabilities					
Trade and other payables	**(12,299)**	**-**	**(145)**	**(1,966)**	**-**
Intercompany payables	**(4,462)**	**(22,192)**	**-**	**-**	**(7,823)**
	(16,761)	**(22,192)**	**(145)**	**(1,966)**	**(7,823)**
Add: Derivative financial instruments	**4,253**	**-**	**-**	**(10,268)**	**-**
Currency exposure of financial assets/(liabilities)	**27,475**	**(7,373)**	**2,904**	**(3,467)**	**(7,785)**
At 31 March 2018					
Financial assets					
Cash and cash equivalents	30,084	5,541	-	3,253	-
Trade receivables	23,426	-	-	718	-
Other receivables and prepayments	6	-	-	-	-
Available-for-sale financial assets	5,247	-	-	-	-
Intercompany receivables	2,371	3	2,184	-	-
	61,134	5,544	2,184	3,971	-
Financial liabilities					
Trade and other payables	(12,439)	-	(121)	(2,653)	(3)
Intercompany payables	(4,407)	(20,382)	(8)	-	(41)
	(16,846)	(20,382)	(129)	(2,653)	(44)
Add: Derivative financial instruments	11,564	-	-	-	-
Currency exposure of financial assets/(liabilities)	55,852	(14,838)	2,055	1,318	(44)

[1] The currency exposure of SGD relates primarily to subsidiaries, whose functional currency is Indonesian Rupiah ("IDR") and Pound Sterling ("GBP"), that have financial assets or financial liabilities which are denominated in SGD

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

	USD	SGD[1]	MYR	EUR	AUD
	$'000	$'000	$'000	$'000	$'000
At 1 April 2017					
Financial assets					
Cash and cash equivalents	60,789	2,765	-	1,593	-
Trade receivables	15,196	-	-	672	-
Other receivables and prepayments	4,234	-	-	-	-
Available-for-sale financial assets	5,642	-	-	-	-
Intercompany receivables	7,387	3	1,344	-	-
	93,248	2,768	1,344	2,265	-
Financial liabilities					
Trade and other payables	(17,882)	(2)	-	(1,860)	(14)
Intercompany payables	(9,553)	(18,694)	(238)	-	(86)
	(27,435)	(18,696)	(238)	(1,860)	(100)
Less: Derivative financial instruments	(5,241)	-	-	-	-
Currency exposure of financial assets/(liabilities)	60,572	(15,928)	1,106	405	(100)

(1) The currency exposure of SGD relates primarily to subsidiaries, whose functional currency is Indonesian Rupiah ("IDR") and Pound Sterling ("GBP"), that have financial assets or financial liabilities which are denominated in SGD

The Company's principal currency exposure based on the information provided to key management is as follows:

	31 March 2019		31 March 2018	1 April 2017
	USD	AUD	USD	USD
	$'000	$'000	$'000	$'000
Company				
Financial assets				
Cash and cash equivalents	**244**	**-**	6,812	14,154
Other receivables and prepayments	**-**	**-**	6	11
Investment securities	**2,709**	**-**	-	-
Available-for-sale financial assets	**-**	**-**	5,247	5,642
	2,953	**-**	12,065	19,807
Financial liabilities				
Loans from subsidiaries	**-**	**(7,185)**	-	(5)
	-	**(7,185)**	-	(5)
Less: Derivative financial instruments	**(7,879)**	**-**	(5,099)	(5,241)
Currency exposure of financial (liabilities)/assets	**(4,926)**	**(7,185)**	6,966	14,561

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The following table details the sensitivity to a 10% (31 March 2018: 10%, 1 April 2017: 10%) increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% (31 March 2018: 10%, 1 April 2017: 10%) is the sensitivity rate used when reporting foreign currency risk internally to the Board of Directors and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis is performed on outstanding foreign currency denominated monetary items and reflects the impact on profit after tax when there is a 10% (31 March 2018: 10%, 1 April 2017: 10%) change in foreign currency rates.

If the relevant foreign currency change against the SGD by 10% (31 March 2018: 10%, 1 April 2017: 10%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	Increase/(Decrease)		
	31 March 2019	**31 March 2018**	**1 April 2017**
	Profit after tax	**Profit after tax**	**Profit after tax**
	$'000	**$'000**	**$'000**
Group			
USD against SGD			
- Strengthened	**2,280**	4,636	5,027
- Weakened	**(2,280)**	(4,636)	(5,027)
MYR against SGD			
- Strengthened	**241**	171	92
- Weakened	**(241)**	(171)	(92)
EUR against SGD			
- Strengthened	**(288)**	109	34
- Weakened	**288**	(109)	(34)
SGD against IDR			
- Strengthened	**(1,603)**	(1,472)	(1,335)
- Weakened	**1,603**	1,472	1,335
SGD against GBP			
- Strengthened	**1,001**	242	13
- Weakened	**(1,001)**	(242)	(13)
SGD against AUD			
- Strengthened	**(646)**	(4)	(8)
- Weakened	**646**	4	8
Company			
USD against SGD			
- Strengthened	**(409)**	578	1,209
- Weakened	**409**	(578)	(1,209)
AUD against SGD			
- Strengthened	**(596)**	-	-
- Weakened	**596**	-	-

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39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(ii) Price risk

The Group and the Company are exposed to price risk arising from the investments held by the Group which are classified either as financial assets, at FVOCI, available-for-sale financial assets or at FVPL. To manage its price risk arising from these investments, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The sensitivity analysis below have been determined based on the exposure to price risks at the end of the reporting period.

If prices for financial assets, at FVOCI, available-for-sale financial assets and financial assets, at FVPL had changed by 10% (31 March 2018: 10%, 1 April 2017: 10%) with all other variables including tax rate being held constant, the effects on profit after tax and other comprehensive income would have been:

	Increase/(Decrease)					
	31 March 2019		31 March 2018		1 April 2017	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
Financial assets, at FVOCI/ Available-for-sale financial assets						
Quoted equity securities						
- increased by	-	-	-	835	-	2,112
- decreased by	-	-	-	(835)	-	(2,112)
Unquoted equity securities						
- increased by	-	3,143	-	40	-	-
- decreased by	-	(3,143)	-	(40)	-	-
Quoted debt securities						
- increased by	-	572	-	2,968	-	2,451
- decreased by	-	(572)	-	(2,968)	-	(2,451)
Financial assets, at FVPL/ Financial assets held for trading						
Quoted equity securities						
- increased by	593	-	82	-	83	-
- decreased by	(593)	-	(82)	-	(83)	-
Quoted debt securities						
- increased by	1,218	-	-	-	-	-
- decreased by	(1,218)	-	-	-	-	-
Unquoted equity securities						
- increased by	40	-	-	-	-	-
- decreased by	(40)	-	-	-	-	-

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(a) Market risk (cont'd)

(ii) Price risk (cont'd)

	Increase/(Decrease)					
	31 March 2019		31 March 2018		1 April 2017	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	$'000	$'000	$'000	$'000	$'000	$'000
<u>Company</u>						
Financial assets, at FVOCI/ Available-for-sale financial assets						
Quoted equity securities						
- increased by	**-**	**-**	-	835	-	2,112
- decreased by	**-**	**-**	-	(835)	-	(2,112)
Quoted debt securities						
- increased by	**-**	**572**	-	2,968	-	2,451
- decreased by	**-**	**(572)**	-	(2,968)	-	(2,451)
Financial assets, at FVPL/ Financial assets held for trading						
Quoted equity securities						
- increased by	**593**	**-**	82	-	83	-
- decreased by	**(593)**	**-**	(82)	-	(83)	-
Quoted debt securities						
- increased by	**1,218**	**-**	-	-	-	-
- decreased by	**(1,218)**	**-**	-	-	-	-

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's exposure to cash flow interest rate risks arises mainly from borrowings, loans to associated companies and a related party at variable-rates. The Company's exposure to cash flow interest rate risks arises mainly from loans to/from subsidiaries at variable rates.

The Group's borrowings at variable rates are denominated in SGD. If the SGD interest rates had been higher/lower by 1% with all other variables including tax rate being held constant, the Group's profit after tax would have been lower/higher by $1,054,000 (31 March 2018: lower/higher by $445,000) as a result of higher/lower interest income from loans to an associated company and a related party and higher/lower interest expense on borrowings. If the SGD interest rates had been higher/lower by 1% with all other variables including tax rate being held constant, the Company's profit after tax would have been lower/higher by $246,000 (31 March 2018: lower/higher by $243,000), as a result of higher/lower interest income on loans to subsidiaries and higher/lower interest expense on loans from subsidiaries.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining appropriate and sufficient collateral such as security deposits and banker's guarantee or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Before accepting any new customer, the Group assesses the potential customer's credit quality and their financial ability to pay for the services engaged. Management periodically monitors and reviews the customer's long overdue payment and proactively engages with the customer to resolve the causes of the overdue payment. There is one (2018: one) external customer which individually represent more than 5% of the Group's total trade receivables.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the statement of financial position except for corporate guarantees provided to banks on loan facilities of its associated company, a related party and a joint venture, as disclosed in Note 38(a)(iv) to the financial statements.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially assessed up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further credit provision required in excess of the allowance for impairment of receivables.

The movements in credit loss allowance are as follows:

	Trade receivables[a]	Retention sum receivables[a]	Contract assets[a]	Other receivables[a]	Total
			$'000	$'000	$'000
Group					
Balance at 1 April 2018 under SFRS and SFRS(I) 9	28,056	-	4,061	5,658	37,775
Currency translation difference	(7)	-	-	(29)	(36)
Loss allowance recognised in profit or loss during the year on:					
- Assets acquired/originated	1,254	73	-	-	1,327
Receivables written off as uncollectible	(11)	-		-	(11)
Balance at 31 March 2019	29,292	73	4,061	5,629	39,055

[a] Loss allowance measured at lifetime expected credit losses

Credit loss allowance are predominantly related to trade and other receivables and contract assets arising from Energy-related engineering contracts. Trade and other receivables from other segments are subject to immaterial credit loss.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

Trade receivables and contract assets

In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Some of the forward-looking macroeconomic factors include:

- Historical financial and default rate of the customer
- Any publicly available information on the customer
- Any macro-economic or geopolitical information relevant to the customer
- Any other objectively supportable information on the quality and abilities of the customer's management relevant for its performance

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2019 and 1 April 2018 are set out in the provision matrix as follows:

		Past due			
	Current	Within 30 days	30 to 60 days	>60 days	Total
	$'000	$'000	$'000	$'000	$'000
Group					
As at 31 March 2019					
Expected loss rate	**-**	**-**	**-**	**89.8%**	
Trade receivables	**73,683**	**5,446**	**2,890**	**32,605**	**114,624**
Loss allowance	**(28)**	**-**	**-**	**(29,264)**	**(29,292)**
As at 1 April 2018					
Expected loss rate	-	-	-	84.6%	
Trade receivables	62,824	5,976	1,878	33,169	103,847
Loss allowance	-	-	-	(28,056)	(28,056)

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39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

Other receivables and loans to subsidiaries

For other receivables and loans to subsidiaries, management has considered, among other factors (including forward-looking information), the Group's and Company's historical loss pattern to assess the expected credit loss.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical payment experience and the corresponding historical credit loss rates, and adjusted for forward-looking macroeconomic factors.

These financial assets are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about events, including but not limited to significant financial difficulty of the borrower or a breach of contract, such as a default or past due event.

Financial guarantee contracts

The Company has issued financial guarantees to banks for borrowings of its subsidiaries. These guarantees are subject to the impairment requirements of SFRS(I) 9. The Company has assessed that its subsidiaries have strong financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses arising from these guarantees.

Previous accounting policy for impairment of trade receivables

In 2018, the impairment of financial assets was assessed based on the incurred loss impairment model. Individual receivables which were known to be uncollectible were written off by reducing the carrying amount directly. The other receivables were assessed collectively, to determine whether there was objective evidence that an impairment had been incurred but not yet identified.

The Group considered that there was evidence if any of the following indicators were present:

- Significant financial difficulties of the debtor;
- Probability that the debtor will enter bankruptcy or financial reorganisation; and
- Default or delinquency in payments.

(i) Financial assets that are neither past due nor impaired

Bank deposits and available-for-sale financial assets that are neither past due nor impaired are placed with financial institutions and organisations with high credit-ratings assigned by international credit-rating agencies. Trade and other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(ii) Financial assets that are past due and/or impaired

The age analysis of trade receivables (excluding retention sum receivables) past due but not impaired is as follows:

	Group	
	2018 $'000	**2017 $'000**
Past due > 3 months	5,059	7,763

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(b) Credit risk (cont'd)

(ii) Financial assets that are past due and/or impaired (cont'd)

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group	
	2018 $'000	**2017 $'000**
Past due > 3 months	28,056	28,235
Less: Allowance for impairment	(28,056)	(28,235)
	-	-

The movement in the allowance for impairment is as follows:

	Group	
	2018 $'000	**2017 $'000**
Beginning of financial year	28,235	28,118
Currency translation differences	-	(132)
Allowance written off	(393)	-
Allowance made – non-related parties	214	249
End of financial year	28,056	28,235

The impaired trade receivables arise mainly from sales to customers which have suffered significant losses in its operations.

The carrying amounts of other receivables and loans to subsidiaries individually determined to be impaired and the movement in the related allowance for impairment are disclosed in Note 15 and Note 17 respectively.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions at a short notice. At the reporting date, assets held by the Group and the Company for managing liquidity risk included cash and short-term bank deposits as disclosed in Note 13 and listed equity and debt instruments as disclosed in Note 21.

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facility and cash and cash equivalents (Note 13) and listed equity and debt instruments (Note 21) of the Group and the Company) on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(c) Liquidity risk (cont'd)

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

	Less than 1 year	Between 2 and 5 years	Over 5 years
	$'000	$'000	$'000
Group			
At 31 March 2019			
Trade and other payables	**163,800**	**6,158**	**-**
Borrowings	**71,423**	**85,795**	**-**
Financial guarantees	**16,860**	**-**	**-**
At 31 March 2018			
Trade and other payables	154,047	4,093	-
Borrowings	6,862	68,715	-
Financial guarantees	21,160	-	-
At 1 April 2017			
Trade and other payables	159,511	5,891	-
Borrowings	20,485	50,181	24,665
Financial guarantees	20,704	-	-
Company			
At 31 March 2019			
Trade and other payables	**977**	**-**	**-**
Loans from subsidiaries	**61,264**	**-**	**-**
At 31 March 2018			
Trade and other payables	1,049	-	-
Loans from subsidiaries	48,978	-	-
At 1 April 2017			
Trade and other payables	1,098	-	-
Loans from subsidiaries	46,628	-	-

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(c) Liquidity risk (cont'd)

The table below analyses the significant derivative financial instruments of the Group and the Company for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	**Between 2 and 5 years**
	$'000	**$'000**
Group		
At 31 March 2019		
Gross-settled currency forwards		
- Receipts	**7,879**	**-**
- Payments	**(8,150)**	**-**
At 31 March 2018		
Gross-settled currency forwards		
- Receipts	19,273	2,849
- Payments	(19,747)	(2,640)
At 1 April 2017		
Gross-settled currency forwards		
- Receipts	143	5,098
- Payments	(160)	(5,734)
Company		
At 31 March 2019		
Gross-settled currency forwards		
- Receipts	**7,879**	**-**
- Payments	**(8,150)**	**-**
At 31 March 2018		
Gross-settled currency forwards		
- Receipts	2,610	2,489
- Payments	(2,739)	(2,640)
At 1 April 2017		
Gross-settled currency forwards		
- Receipts	143	5,098
- Payments	(160)	(5,734)

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39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on gearing ratios and the level of total net tangible assets, which are in tandem with the requirements of the banks. The Group's strategy which was unchanged from 2018, is to maintain gearing ratios and minimum level of total net tangible assets within the banks' requirements.

The consolidated total liability gearing ratio is calculated as a percentage of consolidated total liabilities divided by the consolidated tangible net worth and the maximum consolidated gearing ratio is calculated as total bank debts divided by consolidated tangible net worth. Consolidated tangible net worth is calculated as the sum of share capital and retained profits.

The Group is in compliance with all externally imposed capital requirements for the financial years ended 31 March 2019 and 31 March 2018.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position and in Note 16, Note 20, Note 21 and Note 31 to the financial statements, except for the following:

	Group	Company
	$'000	$'000
31 March 2019		
Financial assets, at FVPL	**23,448**	**18,114**
Financial liabilities, at FVPL	**303**	**272**
Financial assets, at amortised cost	**406,668**	**78,850**
Financial liabilities, at amortised cost	**317,555**	**61,397**
31 March 2018		
Financial assets, at FVPL	987	987
Financial liabilities, at FVPL	625	280
Loans and receivables	396,639	78,029
Financial liabilities, at amortised cost	228,644	49,524
1 April 2017		
Financial assets, at FVPL	994	994
Financial liabilities, at FVPL	653	653
Loans and receivables	425,504	85,804
Financial liabilities, at amortised cost	253,756	47,195

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(f) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
31 March 2019				
Assets				
Investment securities	**23,829**	**-**	**36,526**	**60,355**
Derivative financial instruments	**-**	**234**	**-**	**234**
Total assets	**23,829**	**234**	**36,526**	**60,589**
Liabilities				
Derivative financial instruments	**-**	**(303)**	**-**	**(303)**
Total liabilities	**-**	**(303)**	**-**	**(303)**
31 March 2018				
Assets				
Available-for-sale financial assets	38,027	-	400	38,427
Financial assets held for trading	-	987	-	987
Total assets	38,027	987	400	39,414
Liabilities				
Derivative financial instruments	-	(625)	-	(625)
Total liabilities	-	(625)	-	(625)
1 April 2017				
Assets				
Available-for-sale financial assets	45,634	-	-	45,634
Financial assets held for trading	-	994	-	994
Total assets	45,634	994	-	46,628
Liabilities				
Derivative financial instruments	-	(653)	-	(653)
Total liabilities	-	(653)	-	(653)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(f) Fair value measurements (cont'd)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Company				
31 March 2019				
Assets				
Investment securities	**23,829**	**-**	**-**	**23,829**
Total assets	**23,829**	**-**	**-**	**23,829**
Liabilities				
Derivative financial instruments	**-**	**(272)**	**-**	**(272)**
Total liabilities	**-**	**(272)**	**-**	**(272)**
31 March 2018				
Assets				
Available-for-sale financial assets	38,027	-	-	38,027
Financial assets held for trading	-	987	-	987
Total assets	38,027	987	-	39,014
Liabilities				
Derivative financial instruments	-	(280)	-	(280)
Total liabilities	-	(280)	-	(280)
1 April 2017				
Assets				
Available-for-sale financial assets	45,634	-	-	45,634
Financial assets held for trading	-	994	-	994
Total assets	45,634	994	-	46,628
Liabilities				
Derivative financial instruments	-	(653)	-	(653)
Total liabilities	-	(653)	-	(653)

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy level as at the end of the reporting period.

There were no transfers between the levels of fair value hierarchy during the financial year.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

39. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial risk factors (cont'd)

(f) Fair value measurements (cont'd)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for equity and debt investments. The fair value of forward foreign exchange contracts is determined using quoted forward currency rates at the end of the reporting period. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves. These investments are classified as Level 2. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The following table presents the changes in Level 3 instruments:

	Unquoted equity instruments, held as Financial assets, at FVOCI	Debt instruments, held as Financial assets, at FVPL	Others
	$'000	$'000	$'000
2019			
Beginning of financial year	-	-	400
Reclassification as at 1 April 2018	20,519	-	-
Adoption of SFRS(I) 9	10,676	-	-
Purchases	-	4,700	-
Fair value gain recognised in other comprehensive income	231	-	-
End of financial year	31,426	4,700	400

The fair value of the underlying property classified.

Details of inputs used in Level 3 fair value measurements are as follows:

Description	Valuation technique	Fair value at 31 March 2019 ($'000)	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Unquoted equity instruments, held as Financial assets, at FVOCI	Income capitalisation approach	31,426	Capitalisation rate	4.0% - 5.0%	The higher the income capitalisation rate, the lower the fair value
Debt instruments, held as Financial assets, at FVPL	Discounted cash flow	4,700	Risk-adjusted discount rate	2.7%	The higher the discount rate, the lower the fair value

The Level 3 financial instruments were valued using discounted cash flow analysis.

The carrying amount less impairment provision of trade receivables, and other receivables and prepayments are assumed to approximate their fair values. The carrying amount of trade and other payables are assumed to approximate their fair values. The carrying amount of loans to/from subsidiaries and borrowings approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

40. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	Group	
	2019 $'000	**2018 $'000**
Rental expense to a joint venture	**1,254**	1,230
Project and development management fees from joint ventures*	**(899)**	(1,141)
Construction contract revenue from joint ventures*	**(25,972)**	(26,992)
Construction contract revenue from a related party*	**(317)**	(4,787)
Construction management fee from an associated company	**-**	(168)
Management fee from an associated company	**(6)**	-
Sale of goods to associated companies	**(548)**	-
Trade usage fees paid on behalf of associated companies	**(677)**	-
Payments made on behalf and reimbursement of expenses to an associated company	**(34)**	-
Asset and property management fees from joint ventures	**(235)**	(180)
Interest income from		
- Associated companies	**(551)**	(310)
- A related party*	**(384)**	(723)
	(935)	(1,033)

* Transaction values disclosed are after elimination of the Group's shares in the transaction.

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2019 $'000	**2018 $'000**
Short-term benefits	**13,608**	12,585
Post-retirement benefits	**764**	559
Share-based compensation expense	**454**	511
	14,826	13,655

41. SEGMENT INFORMATION

Segment information is presented in respect of the Group's reportable segment provided to the Group's senior management for the purpose of resource allocation and assessment of segment performance.

Senior management considers the business from both a business and geographical segment perspective.

The Group's businesses comprise the following:

(i) Energy-related engineering : Design, engineering and supply of critical systems including process heater systems, waste heat recovery units, process control systems, and water and wastewater treatment plants for the global oil & gas, petrochemical and power industries.

(ii) Real estate solutions : Smart eco-sustainable real estate solutions including design-and-build and development expertise for business park and industrial developments in Singapore, China, Malaysia and Vietnam.

(iii) Geospatial technology : Exclusive distribution and professional services related to Esri geospatial technology – ArcGIS, the world's leading geographic information system and location analytics platform – to major markets across Australia and parts of South East Asia.

(iv) Healthcare technology : Distribution and services related to niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific.

(v) HQ activities : Management of the Group's divisions to maximise shareholders' returns.

(a) Segment revenue and results

The segment information for the reportable segments are as follows:

	Energy-related engineering		Real estate solutions		Geospatial technology		Healthcare technology		HQ activities		Group	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Revenue												
External sales	**102,459**	94,948	**234,223**	169,635	**122,141**	119,327	**11,357**	-	**-**	-	**470,180**	383,910
Dividend income	**-**	-	**-**	-	**-**	-	**-**	-	**466**	1,196	**466**	1,196
Total revenue	**102,459**	94,948	**234,223**	169,635	**122,141**	119,327	**11,357**	-	**466**	1,196	**470,646**	385,106
Results												
Segment result	**390**	(4,990)	**33,641**	35,013	**25,865**	25,331	**723**	-	**(3,044)**	(2,541)	**57,575**	52,813
Interest income											**7,120**	4,852
Finance expense											**(2,338)**	(2,014)
Profit before income tax											**62,357**	55,651
Income tax expense											**(12,778)**	(13,492)
Total profit											**49,579**	42,159

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment result represents profit earned by each segment without allocation of interest income, finance expense and income tax expense. This is the measure reported to senior management for the purposes of resource allocation and assessment of segment performance.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

41. SEGMENT INFORMATION (CONT'D)

(a) Segment revenue and results (cont'd)

	Energy-related engineering		Real estate solutions		Geospatial technology		Healthcare technology		HQ activities		Group	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Depreciation expense	751	1,187	6,573	6,692	1,287	1,545	311	-	423	478	9,345	9,902
Amortisation of intangible assets	-	-	5	-	211	221	-	-	-	-	216	221
Share of loss/(profit) of associated companies and joint ventures	-	-	2,617	(3,112)	-	-	(1,175)	-	-	-	1,442	(3,112)
Fair value (gains)/losses on derivative financial instruments	(35)	-	-	-	(529)	357	-	-	(8)	(367)	(572)	(10)
Fair value losses on financial assets, at FVPL	-	-	-	-	-	-	-	-	154	-	154	-
Gain on disposal of financial assets, at FVOCI/ available-for-sale financial assets	-	-	-	-	-	-	-	-	(347)	(736)	(347)	(736)
Gain on disposal of a property	-	-	5,890	-	-	-	-	-	-	-	5,890	-
Currency exchange (gains)/losses – net	(1,662)	3,701	(142)	(77)	(38)	598	(8)	-	(342)	818	(2,192)	5,040

(b) Segment assets and liabilities

	Energy-related engineering		Real estate solutions		Geospatial technology		Healthcare technology		HQ activities		Group	
	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000	2019 $'000	2018 $'000
Segment assets												
Segment assets	104,193	93,538	522,077	397,914	105,870	98,794	14,996	-	78,480	107,981	825,616	698,047
Investments in associated companies	-	-	-	588	-	-	12,875	-	-	-	12,875	588
Investments in joint ventures	-	-	40,673	37,148	-	-	-	-	-	-	40,673	37,148
Deferred income tax assets											5,165	1,625
Total assets											884,329	737,408
Additions to:												
- property, plant and equipment	487	1,970	520	291	6,507	1,418	346	-	267	4	8,127	3,683
- investment properties	-	-	59,573	377	-	-	-	-	-	-	59,573	377
- intangible assets	-	-	125	-	-	-	613	-	-	-	738	-
Segment liabilities												
Segment liabilities	47,919	40,469	270,025	177,147	62,016	56,499	5,693	-	(858)	2,975	384,795	277,090
Income tax payable/ Deferred income tax liabilities											17,184	17,310
Total liabilities											401,979	294,400

41. SEGMENT INFORMATION (CONT'D)

(b) Segment assets and liabilities (cont'd)

For the purposes of monitoring segment performance and allocating resources between segments, senior management monitors the tangible and financial assets as well as the financial liabilities attributable to each segment.

All assets are allocated to reportable segments, other than deferred income tax assets.

All liabilities are allocated to reportable segments other than income tax payable and deferred income tax liabilities.

(c) Geographical information

The Group operates in 5 primary geographical areas – Asia Pacific, Australia, North and South America, Europe, and Middle East and Africa.

The Group's revenue from external customers and non-current assets (excluding financial instruments and deferred income tax assets) by geographical locations is as follows:

	Asia Pacific		Australia		North and South America		Europe		Middle East and Africa		Group	
	2019 $'000	**2018 $'000**	**2019 $'000**	**2018 $'000**	**2019 $'000**	**2018 $'000**	**2019 $'000**	**2018 $'000**	**2019 $'000**	**2018 $'000**	**2019 $'000**	**2018 $'000**
Revenue from external customers	**300,337**	229,090	**99,757**	90,082	**34,665**	26,247	**15,776**	8,146	**20,111**	31,541	**470,646**	385,106
Non-current assets	**259,656**	179,474	**10,455**	7,888	**-**	-	**4,541**	4,788	**-**	-	**274,652**	192,150

(d) Information about major customers

There is one (2018: one) customer from the Group's real estate solutions segment representing more than 10% of the Group's revenue. The customer contributed $64,474,000 (2018: $37,880,000) in revenue to the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

42. BUSINESS COMBINATIONS

On 24 May 2018, the Company entered into a sale and purchase agreement with WhiteRock Medical Company Pte. Ltd. to acquire 100% of the shareholding of WhiteRock Incorporation Private Limited and its subsidiaries ("WhiteRock Group"), operating in Singapore, China, Hong Kong, Malaysia and Thailand. The WhiteRock Group is an equipment and services provider for rehabilitative care, sleep care and sports science. The acquisition was completed on 25 June 2018 at an agreed price of $18,878,000, which approximated the consolidated net asset value of the WhiteRock Group as at 31 December 2017.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

		$'000
(a)	Purchase consideration	
	Cash paid and consideration transferred for the business	18,878
(b)	Effect on cash flows of the Group	
	Cash paid (as above)	18,878
	Less: Cash and cash equivalents in subsidiaries acquired	(1,634)
	Cash outflow on acquisition	17,244

(c) Identifiable assets acquired and liabilities assumed

	At fair value $'000
Cash and cash equivalents	1,634
Property, plant and equipment (Note 22)	764
Contract backlog (included in intangibles) (Note 24 and note (f) below)	951
Investment in associated companies (Note 25)	11,837
Inventories	2,775
Trade receivables (Note (e) below)	4,392
Other receivables and prepayments	4,450
Total assets	26,803
Trade and other payables	(5,080)
Borrowings	(2,794)
Income tax payable (Note 11(b))	(51)
Total liabilities	(7,925)
Total identifiable net assets and consideration transferred for the business	18,878

(d) Acquisition-related costs

Acquisition-related costs of $52,000 are included in "administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(e) Acquired receivables

The fair value of trade and other receivables is $8,842,000 and includes trade receivables with a fair value of $4,392,000. The gross contractual amount for trade receivables due is $4,392,000.

42. BUSINESS COMBINATIONS (CONT'D)

(f) Fair values

The fair value of the acquired identifiable intangible assets of $951,000 (contract backlog) was finalised during the year. No adjustments were required to be recognised.

(g) Revenue and profit contribution

The acquired business contributed revenue of $11,357,000 and net profit of $536,000 to the Group from the period from 25 June 2018 to 31 March 2019.

Had the WhiteRock Group been acquired from 1 April 2018, consolidated revenue and consolidated profit for the year ended 31 March 2019 would have been $15,235,000 and $313,000 respectively.

43. EVENTS OCCURRING AFTER REPORTING DATE

On 1 April 2019, Boustead Projects Limited, a subsidiary of the Group, completed its investment in 25% of DSCO Group Holdings Pte. Ltd. ("DSCO") for a consideration of approximately $4,209,000, subject to post-completion adjustments. DSCO is a provider of specialised building engineering consulting services in the Asia Pacific.

On 26 April 2019, a minority shareholder of the Company's subsidiary, Controls & Electric Pte Ltd, ("C&E"), exercised his option to acquire 187,500 ordinary shares in C&E for a consideration of $290,780.91 pursuant to an option agreement dated 27 October 2006 signed between the minority shareholder and a wholly-owned subsidiary of the Group. Thereafter, the minority shareholder sold 500,000 ordinary shares in C&E to the Group for a cash consideration of $6,690,780.91, bringing the Group's total equity interest in C&E to 94.4% after the transactions.

44. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2019 and which the Group has not early adopted:

SFRS(I) 16 *Leases* (effective for annual periods beginning on or after 1 January 2019)

SFRS(I) 16 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The Group will apply the standard from its mandatory adoption date of 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

The standard will affect primarily the accounting for the Group's operating leases. As at 31 March 2019, the Group has non-cancellable operating lease commitments as disclosed in Note 37(a) to the financial statements, that may result in the recognition of an asset and a liability for future payments.

The Group is currently finalising the transition adjustments.

45. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Boustead Singapore Limited on 1 July 2019.

MANAGEMENT & PRINCIPAL ACTIVITIES

GROUP HEADQUARTERS

Boustead Singapore Limited
82 Ubi Avenue 4
#08-01 Edward Boustead Centre
Singapore 408832

Main: +65 6747 0016
Fax: +65 6741 8689
Web: www.boustead.sg

Chairman & Group Chief Executive Officer: Wong Fong Fui
Executive Director & Deputy Group Chief Executive Officer: Wong Yu Loon

ENERGY-RELATED ENGINEERING

Boustead International Heaters Ltd
Europa House
Woodlands Court
Albert Drive
Burgess Hill
West Sussex RH15 9TN
United Kingdom

Main: +44 1444 237500
Fax: +44 1444 237501
Web: www.bihl.com

Chief Executive Officer: Stuart Cummings

Boustead International Heaters ("BIH") is a leading global specialist in designing, engineering and supplying direct-fired process heater systems, waste heat recovery units and associated equipment for the global oil & gas ("O&G"), petrochemical and energy industries.

Controls & Electrics Pte Ltd
30 Gul Drive
Singapore 629478

Main: +65 6861 3377
Fax: +65 6861 8408
Web: www.bousteadcontrols.com

Chief Executive Officer: Prasun Chakraborty

Controls & Electrics ("C&E") is a well-recognised leader in designing, engineering and supplying process control systems such as pneumatic and hydraulic or safety programmable logic controller-based wellhead control panels and hydraulic power units, integrated control & safety shutdown systems and topside automation systems, chemical injection skids, fire & gas systems and supervisory control & data acquisition (SCADA) systems for the upstream O&G industries. C&E also supplies fuel skids, instrumentation equipment and burner management systems to sister companies such as BIH.

Boustead Salcon Water Solutions Pte Ltd
82 Ubi Avenue 4
#08-03 Edward Boustead Centre
Singapore 408832

Main: +65 6846 9988
Fax: +65 6747 8878
Web: www.bousteadsalcon.com

Chief Executive Officer: Ravi Subramanian

Boustead Salcon Water Solutions ("BSWS") is a leading global water and wastewater engineering specialist and Singapore's largest in the energy sector. BSWS' in-depth domain expertise and vast experience focuses on seawater desalination, demineralisation and wastewater recycling. BSWS has delivered projects across the O&G, petrochemical, pharmaceutical, power, semiconductor and special defence industries, as well as for municipal authorities.

PT Boustead Maxitherm Industries
Graha Pratama Building, 15th Floor
Jalan Letjend MT Haryono Kav 15
Tebet, Jakarta 12810
Indonesia

Main: +62 21 8379 3678
Fax: +62 21 8379 3648
Web: www.bousteadmaxitherm.com

President Director: Woo Chew Fay

Boustead Maxitherm Industries is an established regional specialist in designing, engineering and supplying mini-power plants, solid waste energy recovery plants and associated combustion technology.

REAL ESTATE SOLUTIONS

Boustead Projects Limited (listed on SGX Mainboard as SGX:AVM)
82 Ubi Avenue 4
#07-01 Edward Boustead Centre
Singapore 408832

Main: +65 6748 3945
Fax: +65 6748 9250
Web: www.bousteadprojects.com

Managing Director: Thomas Chu
Executive Director & Senior Deputy Managing Director: Wong Yu Wei

Boustead Projects Limited ("Boustead Projects") is a leading real estate solutions provider in Singapore, with core engineering expertise in the design-and-build and development of smart eco-sustainable business park and industrial developments for clients including Forbes Fortune 500, S&P 500 and Euronext 100 corporations. To date, Boustead Projects has constructed and developed more than 3,000,000 square metres of real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects' wholly-owned design-and-build subsidiary, Boustead Projects E&C Pte Ltd ("BP E&C") is approved by Singapore's Building & Construction Authority ("BCA") for Grade CW01-A1 and General Builder Class 1 Licence to execute building construction contracts of unlimited value.

Boustead Projects' transformative technologies – Industry 4.0 transformation standards and full-fledged integrated digital delivery – are shaping custom-built future-ready developments. Boustead Projects' in-depth experience covers the aerospace, business park, food, healthcare and pharmaceutical, high-tech manufacturing, logistics, research & development, technology and waste management industries, among others. Boustead Projects is also a leader in pioneering advanced eco-sustainable developments under the BCA's Green Mark Programme and the US Green Building Council's Leadership in Energy & Environmental Design (LEED) Program. In Singapore, BP E&C is one of only seven bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company's workplace safety and health ("WSH") management programmes. Boustead Projects' WSH efforts have been further recognised with five prestigious WSH Performance Silver Awards and 11 SHARP Awards to date.

MANAGEMENT & PRINCIPAL ACTIVITIES

GEOSPATIAL TECHNOLOGY

Esri Australia Pty Ltd
Level 3, 111 Elizabeth Street
Brisbane QLD 4000
PO Box 15459
Brisbane City East QLD 4002
Australia

Main: +61 1300 635 196
Web: www.esriaustralia.com.au

Managing Director: Brett Bundock

Esri Australia is Australia's foremost authority on geographic information systems ("GIS") and the exclusive distributor of Esri's ArcGIS technology in the country, with branch offices in Brisbane (headquarters), Adelaide, Canberra, Darwin, Melbourne, Perth and Sydney. Additionally, Esri Australia is the exclusive distributor of ArcGIS technology in Papua New Guinea. Esri Australia also provides hosted solutions, professional services, software maintenance services and training for ArcGIS technology.

Esri South Asia Pte Ltd
29 Media Circle
#08-01 ALICE@Mediapolis (North Lobby)
Singapore 138565

Main: +65 6742 8622
Web: www.esrisa.com

Managing Director: Leslie Wong

Esri South Asia is the holding company for Esri Singapore, Esri Malaysia and Esri Indonesia, the exclusive distributors for Esri's ArcGIS technology in Singapore, Malaysia and Indonesia respectively. Additionally, Esri South Asia is the exclusive distributor of ArcGIS technology in Bangladesh, Brunei and Timor-Leste. Esri South Asia also provides hosted solutions, professional services, software maintenance services and training for ArcGIS technology.

Esri Singapore Pte Ltd
29 Media Circle
#08-01 ALICE@Mediapolis (North Lobby)
Singapore 138565

Main: +65 6742 8622
Web: www.esrisingapore.com.sg

Chief Executive Officer: Thomas Pramotedham

Esri Singapore is Singapore's foremost authority on GIS and the exclusive distributor of Esri's ArcGIS technology in the country. Esri Singapore also provides hosted solutions, professional services, software maintenance services and training for ArcGIS technology.

Esri Malaysia Sdn Bhd
Unit 3A-1, Level 3A
Tower 2B, UOA Business Park
No 1, Jalan Pengaturcara U1/51A
Seksyen U1
40150 Shah Alam
Selangor
Malaysia

Main: +60 3 5022 0122
Web: www.esrimalaysia.com.my

Chief Executive Officer: Tan Choon Sang

Esri Malaysia is Malaysia's foremost authority on GIS and the exclusive distributor of Esri's ArcGIS technology in the country. Esri Malaysia also provides hosted solutions, professional services, software maintenance services and training for ArcGIS technology.

PT Esri Indonesia
Menara 165, 6th Floor Unit B
Jalan TB Simatupang Kav 1
Jakarta Selatan 12560
Indonesia

Main: +62 21 2940 6355
Web: www.esriindonesia.co.id

Chief Executive Officer: Achmad Istamar

Esri Indonesia is Indonesia's foremost authority on GIS and the exclusive distributor of Esri's ArcGIS technology in the country, with branch offices in Jakarta (headquarters), Balikpapan, Makassar, Medan and Surabaya. Esri Indonesia also provides hosted solutions, professional services, software maintenance services and training for ArcGIS technology.

HEALTHCARE TECHNOLOGY

WhiteRock Incorporation Pte Ltd
2 Kim Chuan Drive
#06-01 CSI Distribution Centre
Singapore 537080

Main: +65 6305 2573
Fax: +65 6305 2524
Web: www.whiterock.com.sg

Chief Executive Officer: Goh Boon Seong

WhiteRock is a leading provider of innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific. WhiteRock's largest subsidiary, United BMEC Pte Ltd and largest associated company, 50%-owned Beijing Pukang Sport & Medical Co Ltd, have a strong network across Australia, China, Hong Kong, Japan, Malaysia, Singapore and Thailand.

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2019

SHARE CAPITAL

Number of ordinary shares	:	492,388,739 *
Number/Percentage of treasury shares	:	2,596,100 (0.53%)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

** Excludes treasury shares*

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%**
1 - 99	195	4.66	7,810	0.00
100 - 1,000	353	8.43	219,813	0.04
1,001 - 10,000	2,116	50.55	11,257,735	2.29
10,001 - 1,000,000	1,497	35.76	75,307,660	15.30
1,000,001 AND ABOVE	25	0.60	405,595,721	82.37
TOTAL	**4,186**	**100.00**	**492,388,739**	**100.00**

LOCATION OF SHAREHOLDERS

Country	No. of Shareholders	%	No. of Shares	%**
SINGAPORE	3,886	92.83	486,583,529	98.82
MALAYSIA	245	5.85	4,294,723	0.87
OTHERS	55	1.32	1,510,487	0.31
TOTAL	**4,186**	**100.00**	**492,388,739**	**100.00**

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2019

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%**
1	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	181,265,763	36.81
2	DBS NOMINEES (PRIVATE) LIMITED	64,998,039	13.20
3	CITIBANK NOMINEES SINGAPORE PTE LTD	58,789,244	11.94
4	RAFFLES NOMINEES (PTE.) LIMITED	26,311,980	5.34
5	HSBC (SINGAPORE) NOMINEES PTE LTD	17,551,061	3.56
6	IFAST FINANCIAL PTE. LTD.	6,943,992	1.41
7	MAYBANK KIM ENG SECURITIES PTE. LTD.	6,279,159	1.28
8	HELEN TAN CHENG HOONG	5,166,000	1.05
9	UOB KAY HIAN PRIVATE LIMITED	4,844,708	0.98
10	DBSN SERVICES PTE. LTD.	4,263,275	0.87
11	WONG HENG CHONG	3,363,773	0.68
12	YEO KER KUANG	2,913,555	0.59
13	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	2,489,470	0.51
14	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,456,212	0.50
15	HENG SIEW ENG	2,017,535	0.41
16	BPSS NOMINEES SINGAPORE (PTE.) LTD.	1,898,211	0.39
17	CHAN CHEE WENG	1,841,076	0.37
18	PHILLIP SECURITIES PTE LTD	1,839,340	0.37
19	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,747,385	0.35
20	SOH KOK BENG LEONARD	1,650,078	0.34
	Total	**398,629,856**	**80.95**

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest	%	Deemed Interest	%**
Wong Fong Fui	-	-	177,871,829 [(1)]	36.12
FMR LLC	-	-	49,285,954 [(1)]	10.01
Fidelity Management & Research Company	-	-	44,108,542 [(1)]	8.96
FMR Co., Inc.	-	-	25,945,673 [(1)]	5.27

Notes:

[(1)] *The deemed interests of these Substantial Shareholders are held through nominees.*

SHAREHOLDINGS IN THE HANDS OF THE PUBLIC

The percentage of shareholdings in the hands of the public as at 18 June 2019 was approximately 47.54%.** This is in compliance with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, which requires at least 10% of the issued ordinary shares of the company to be held by the public.

*** The percentage of issued ordinary shares is calculated based on the total number of issued shares, excluding treasury shares of the Company.*

NOTICE OF ANNUAL GENERAL MEETING

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Boustead Singapore Limited (the "Company") will be held at The Studio @ NoonTalk, 29 Media Circle, #01-04/05, ALICE@Mediapolis, Singapore 138565 on Friday, 26 July 2019 at 2.00 p.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 March 2019 and the Independent Auditors' Report thereon. **Resolution 1**

2. To approve a final tax-exempt (one-tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2019. **Resolution 2**

3. To re-elect the following directors retiring under Article 94 of the Company's Constitution.

   a. Mr Loh Kai Keong **Resolution 3**

   b. Mr Chong Ngien Cheong **Resolution 4**

   Note:
   Mr Loh Kai Keong will, upon re-election as a director of the Company, remain as a member of the Audit & Risk Committee and Remuneration Committee. He will not be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST").

   Mr Chong Ngien Cheong will, upon re-election as a director of the Company, remain as the Chairman of the Nominating Committee and member of the Audit & Risk Committee and Remuneration Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

4. To approve directors' fees of up to $272,000 for the financial year ending 31 March 2020, payable quarterly in arrears (2019 actual: $274,000).
   [See Explanatory Note 1] **Resolution 5**

5. To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company to hold office until the next Annual General Meeting and to authorise the directors to fix their remuneration. **Resolution 6**

AS SPECIAL BUSINESS

To consider and, if thought fit to pass with or without modifications, the following ordinary resolutions:

6. **Authority to allot and issue shares pursuant to Section 161 of the Singapore Companies Act**

   That authority be and is hereby given to the directors of the Company to:

   (i) (a) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

   (b) make or grant offers, agreements or options (collectively, "instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and

   (ii) (notwithstanding the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the directors of the Company while this resolution was in force,

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

provided that:

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this resolution) does not exceed fifty per cent (50%) of the total number of issued shares (excluding any treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of instruments made or granted pursuant to this resolution) does not exceed twenty per cent (20%) of the total number of issued shares (excluding any treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the total number of issued shares (excluding any treasury shares and subsidiary holdings) in the capital of the Company at the time this resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this resolution is passed; and

(b) any subsequent bonus issue or consolidation or subdivision of shares;

(iii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note 2] **Resolution 7**

7. **Authority to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011**

That authority be and is hereby given to the directors of the Company to grant awards in accordance with the provisions of the Boustead Restricted Share Plan 2011 and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the grant of awards under the Boustead Restricted Share Plan 2011, provided that the aggregate number of new shares to be issued pursuant to the Boustead Restricted Share Plan 2011 shall not exceed ten per cent (10%) of the issued ordinary share capital of the Company (excluding any treasury shares and subsidiary holdings) from time to time.

[See Explanatory Note 3] **Resolution 8**

8. **Authority to allot and issue shares pursuant to the Boustead Scrip Dividend Scheme**

That authority be and is hereby given to the directors of the Company to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the application of the Boustead Scrip Dividend Scheme.

[See Explanatory Note 4] **Resolution 9**

9. To transact any other business of the Company which may arise.

NOTICE OF ANNUAL GENERAL MEETING

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

NOTICE OF BOOKS CLOSURE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 2 August 2019 for the purpose of determining shareholders' entitlements to the final dividend to be paid on 19 September 2019, subject to and contingent upon shareholders' approval for the proposed dividend being obtained at the forthcoming Annual General Meeting of the Company.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 2 August 2019 will be registered before entitlements to the dividend are determined.

By Order of the Board

Alvin Kok
Company Secretary
9 July 2019

Explanatory Notes on Ordinary and Special Businesses to be transacted

1. The Ordinary Resolution 5 is to allow the Company to pay directors' fees to all non-executive directors in arrears on a quarterly basis.

2. The Ordinary Resolution 7 is to enable the directors to issue shares in the Company up to 50% of the total number of issued shares excluding any treasury shares and subsidiary holdings in the capital of the Company (in the case of issuance other than on a pro-rata basis to existing shareholders, such aggregate number of shares not to exceed 20% of the total number of issued shares excluding any treasury shares and subsidiary holdings in the capital of the Company) for such purposes as they consider to be in the interests of the Company.

3. The Ordinary Resolution 8 is to allow the directors to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011.

4. The Ordinary Resolution 9 is to allow the directors to issue shares pursuant to the Boustead Scrip Dividend Scheme.

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Notes:

(1) A member (other than a Relevant Intermediary*) entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint not more than two proxies to attend and vote in his stead. A shareholder of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

(2) Where a member (other than a Relevant Intermediary*) appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.

(3) A Relevant Intermediary* may appoint more than 2 proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).

(4) The instrument appointing a proxy must be signed by the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

(5) If a proxy is to be appointed, the instrument appointing a proxy must be duly deposited at the registered office of the Company at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832 not later than 48 hours before the time appointed for the holding of the AGM.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Chapter 19) of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities Futures Act (Chapter 289) of Singapore and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Chapter 36) of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

PROXY FORM

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Annual General Meeting to be held on 26 July 2019 at 2.00 p.m.
(Before completing this form, please see notes below)

IMPORTANT:
1. For investors who have used their CPF monies to buy shares in the capital of Boustead Singapore Limited, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
2. Pursuant to Section 181(1C) of the Companies Act, Chapter 50 of Singapore, Relevant Intermediaries may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
3. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We (Name) (NRIC/ Passport Number)

of

being a member/members of the above-named Company, hereby appoint Mr/Mrs/Ms

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

or failing him/her/them, the Chairman of the Annual General Meeting of the Company as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 26 July 2019 at 2.00 p.m. and at any adjournment thereof in the manner indicated below:

	Ordinary Resolutions:	For	Against
Resolution 1	To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 March 2019 and the Independent Auditors' Report.		
Resolution 2	To approve a final tax-exempt (one-tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2019.		
Resolution 3	To re-elect Mr Loh Kai Keong as a director of the Company.		
Resolution 4	To re-elect Mr Chong Ngien Cheong as a director of the Company.		
Resolution 5	To approve directors' fees of up to $272,000 for the year ending 31 March 2020, payable quarterly in arrears.		
Resolution 6	To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company and to authorise the directors to fix their remuneration.		
Resolution 7	To authorise the directors to allot and issue shares pursuant to Section 161 of the Singapore Companies Act.		
Resolution 8	To authorise the directors to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011.		
Resolution 9	To authorise the directors to allot and issue shares pursuant to the Boustead Scrip Dividend Scheme.		

(Please indicate with a cross "X" in the spaces provided whether you wish your vote/votes to be cast for or against the Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, your proxy/proxies may vote or abstain as he/she thinks fit.)

Signed this day of 2019

Total no. of shares	No. of shares
In CDP Register	
In Register of Members	

Signature(s) of Member(s) or Common Seal

PROXY FORM

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Notes:

1. A member (other than a Relevant Intermediary*) entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint not more than two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each proxy.
3. A member of the Company having a share capital who is a Relevant Intermediary* may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified). In such event, the Relevant Intermediary* shall submit a list of its proxies together with the information required in this form of proxy including the number and class of shares in relation to which each proxy has been appointed, to the registered office of the Company at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Cap. 289) of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all shares held by the member.
5. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for holding the AGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPF Investors and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.
9. Agent Banks acting on the request of CPF Investors who wish to attend the AGM as Observers are required to submit in writing, a list with details of the investor's name, NRIC/Passport number, addresses and number of shares held. The list, signed by an authorised signatory of the agent bank, should reach the Company Secretary, at the Secretary's Office at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832, not less than 48 hours before the time fixed for holding the AGM.

* *"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.*

GENERAL:

The Company shall be entitled to reject a proxy form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the proxy form. In addition, in the case of shares entered in the Depository Register, the Company may reject a proxy form if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 9 July 2019.

design & production by Q-Plus Design

BOUSTEAD SINGAPORE LIMITED
Company Registration Number: 197501036K

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