

GLOBALLY ENDURING

Annual Report 2021



BOUSTEAD®

Since 1828

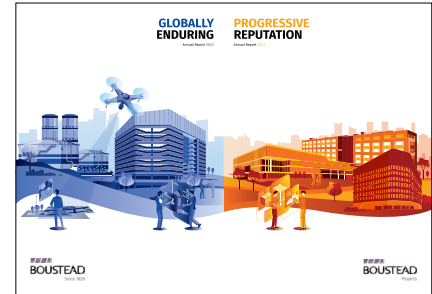
GLOBALLY ENDURING

What has contributed to establishing Boustead's globally enduring brand?

Our answer rests on the Boustead Men and Women, and our deep commitment to the **Boustead Way**, prioritising the pursuit of business with a greater purpose. It is about creating sustainable shared socio-economic value versus maximising short-term profit; promoting adaptability and resilience; and favouring longevity over sentimentality. It is a position, a value, a commercial sensibility that runs through every layer of our organisation.

During this most tumultuous year in the world, our leadership has truly been put to the test in many areas, not least in ensuring our business continuity in the midst of all of the extended lockdowns that occurred globally in the past year. In this respect, we are glad to report that our senior leadership teams across our various divisions dug deep into their collective experience to keep our business brands performing and deliver a record profit attributable to shareholders – surpassing the S\$100 million mark for the first time in our listed history, which dates back to 1975.

This was made possible by our global presence, continued cultivation of enduring relationships, progressive reputation and long-term investments in people and technologies, with a focus on creating sustainable shared socio-economic value.



Cover-to-Cover – See the Bigger Picture

This year, Boustead Singapore Limited shares about our globally enduring brand, while Boustead Projects Limited shares about their progressive reputation.



Scan or download the Annual Report at www.boustead.sg.



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 sustainable shared socio-economic growth in global markets, our strong suite of engineering services under our Energy Engineering Division and Real Estate Division centres on energy infrastructure and smart, eco-sustainable and future-ready business park and industrial developments.

In addition, we provide technology-driven transformative solutions to improve quality of life for all walks of life. Our Geospatial Division provides professional services and exclusively distributes Esri ArcGIS technology – the world's leading geographic information system, smart mapping and location analytics platform – to major markets in the Asia Pacific including Australia, Singapore, Malaysia and Indonesia. The software creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems through effective and sustainable improvement of human wellbeing and ecosystems, and planning and management of key infrastructure and resources. Our Healthcare Division provides innovative medical solutions

that address niche age-related chronic diseases and mobility issues, with a focus on rehabilitative 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 projects in 90 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 2017, we were ranked by FinanceAsia as Singapore's Best Small-Cap in the annual Asia's Best Companies Poll. In 2019, we were awarded the Most Transparent Company in the Industrials Category and Sustainability Award (Runner-Up) in the Mid Cap Category by the Securities Investors Association (Singapore). For the second successive year in 2021, we were ranked among Singapore's Best Employers, at 40th overall and 1st under our respective category of Business Services & Supplies (including Real Estate) in an evaluation encompassing 1,700 large corporations. We are also listed on the MSCI World Micro Cap Index, FTSE Global Small Cap Index, FTSE Developed Small Cap Index and FTSE ST Industrials Index.

Visit us at www.boustead.sg.

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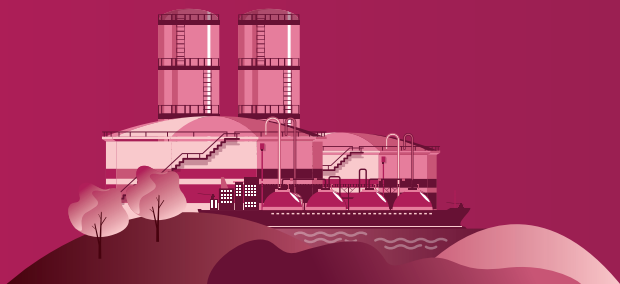
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ENERGY ENGINEERING



GLOBAL EXPERIENCE

Boustead delivers global experience, with over 1,500 projects installed in 90 countries and territories across six continents in the past 25 years alone. This is the hallmark of a truly global organisation.



TRACK RECORD

Our Energy Engineering Division has delivered:




Projects for
60%
of the world's top 20 oil &
gas corporations.



137
terawatt-hours
of total expected thermal
energy recovery from
WHRUs, equivalent to
the amount of carbon
sequestered in a forest
that is the size of Spain.

Our Energy Engineering Division provides critical process technologies and eco-sustainable solutions to the global oil & gas, petrochemical and energy industries, which are important drivers of human wellbeing, economic development and progress. 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 ("WHRUs") capture thermal energy from high temperature turbine exhaust and flue gases, which is efficiently transferred for use by other utilities, thus reducing the overall energy demand of plants and potentially doubling the operational efficiency of gas-fired turbines.

 Read more on pages 32 to 37.

Company Announcement



BOUSTEAD REAL ESTATE DIVISION SUCCESSFULLY COMPLETES TRANSACTIONS FOR TRANSFORMATIONAL BOUSTEAD INDUSTRIAL FUND

Capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in Boustead Projects Limited's circular to shareholders relating to the establishment of Boustead Industrial Fund dated 5 February 2021 including (i) the Proposed Transactions (comprising the Proposed Subscription and the Proposed Divestment) and (ii) the assignment of the BP-SF Transferred Loan to the Company pursuant to the Relevant Loan Transaction.

SINGAPORE, 4 MARCH 2021

Boustead Singapore Limited ("Boustead") – a progressive global infrastructure-related engineering and technology group – is pleased to announce that its Real Estate Division under 53%-owned SGX Mainboard-listed Boustead Projects Limited ("Boustead Projects") has successfully completed the Proposed Transactions (comprising the Proposed Initial Subscription and the Proposed Divestment) (the "Completion") in connection with the establishment of Boustead Industrial Fund ("BIF"), following unanimous shareholder approval that was received at Boustead Projects' recent extraordinary general meeting held on 25 February 2021 and the completion of conditions precedent contained in the agreements entered into in connection with the Proposed Transactions. BIF sets the stage for Boustead Projects to build upon a transformational business model and integrated platform uniting all parts of the business park and industrial real estate value chain – from value-added capabilities in real estate engineering & construction, development and asset management services to fund management services.

BIF is Boustead Projects' maiden scalable private business trust, which following the Completion, has acquired full or partial interests in 14 properties seeded by Boustead Projects and its joint venture partners. The total market valuation of these properties is S\$511.3 million and their envisaged total consideration is S\$519.9 million (assuming BIF had acquired 100% interest in all 14 properties).

At the same time, Boustead Projects, through its wholly-owned subsidiary, BP-Real Estate Investment Pte Ltd, now holds 25% of the Units and Notes in BIF, with the Company's wholly-owned subsidiary, Boustead Industrial Fund Management Pte Ltd holding the role of Fund Manager of BIF. The other initial investors also completed the necessary steps to subscribe for the Units and Notes in BIF, with AP SG 21 Pte Ltd and Metrobit Construction Pte Ltd now holding 49% and 26% respectively of the Units and Notes in BIF.

The successful launch of BIF has unlocked value from Boustead Projects' leasehold portfolio, which will enable Boustead Projects to recycle capital towards strategic plans. With the Completion, Boustead Projects raised gross proceeds of S\$328.4 million which have been applied to the following activities:

- About S\$95.8 million spent to discharge Boustead Projects' bank loans and existing encumbrances on the properties transferred to BIF, essentially extinguishing almost all of the borrowings on the Company's balance sheet, which will have a similar effect of extinguishing almost all of the borrowings on the Boustead Group's balance sheet;
- About S\$72.7 million spent on the Proposed Subscription; and
- About S\$20.5 million allocated for other agreed costs including professional, legal, rectification and other potential top-ups, along with associated taxes.

Boustead Projects intends to apply the remaining balance of S\$139.4 million towards the pursuit of its growth strategies and the expansion of its businesses in Singapore and overseas, general corporate and working capital requirements, along with the potential declaration of a special dividend.

For the full details of BIF, please refer to Boustead Projects' circular to its shareholders dated 5 February 2021, Boustead Projects' announcement dated 9 February 2021 titled 'Frequently Asked

REAL
ESTATE

ENDURING VALUE

Boustead delivers enduring value, in line with the *Boustead Way*, our long trading history and our aim to continue creating sustainable shared socio-economic value.





TRACK RECORD

Boustead Projects Limited has delivered:

Our Real Estate Division under Boustead Projects Limited provides innovative real estate solutions such as custom-built, smart, eco-sustainable and future-ready business park and industrial developments for Fortune 500, S&P 500 and Euronext 100 corporations across diverse sectors. These developments are designed to meet Industry 4.0 transformation standards, while simultaneously minimising emissions and resource wastage.



S\$1.3 billion
in total market valuation
of completed and
development pipeline in
their leasehold portfolio.



S\$134.8 million
in value-unlocking
transaction one-off gain
from Boustead Industrial
Fund.



■ GEOSPATIAL



PROGRESSIVE TECHNOLOGIES

Boustead delivers progressive technologies, staying in the moment and relevant to the times.



TRACK RECORD

Our Geospatial Division has delivered:



Critical smart mapping capabilities

to support government agencies, healthcare organisations and communities in combatting the COVID-19 pandemic.



GIS multiplier effects that add value

in a wide range of sectors that together account for nearly 75% of global GDP.

Our Geospatial Division provides professional services and exclusively distributes Esri ArcGIS technology – the world's leading geographic information system ("GIS"), smart mapping and location analytics platform – along with related GIS solutions for major markets in the Asia Pacific. The software creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems through effective and sustainable improvement of human wellbeing and ecosystems, and planning and management of key infrastructure and resources. This division's progressive technologies stand as a rare multi-generational force that have transformed through five tectonic shifts in the technology industry within the past five decades.

[Read more on pages 46 to 55.](#)



HEALTHCARE

REPUTABLE QUALITY

Boustead delivers reputable quality, a distinction that has established our credibility as a long-standing, trusted organisation.





TRACK RECORD

Our Healthcare Division has delivered:



Technology-driven rehabilitative care services

that significantly improve mobility recovery and reduce fatigue and stress on patients, their families and caregivers.



Enhanced community wellbeing and protection

against infectious diseases through the provision of deep cleaning and disinfection services, and remote digital health tracking platforms.

Our Healthcare Division provides innovative medical solutions that address niche areas of age-related chronic diseases and mobility issues across the continuum of long-term care, with a focus on rehabilitative care and sports science in the Asia Pacific. This division addresses the pain points of the healthcare sector with outcome-based solutions that promote more efficient recovery for patients and higher productivity of healthcare professionals, while mitigating resource shortages faced by the healthcare sector.

[Read more on pages 56 to 59.](#)

Refreshing a Global Icon



BOUSTEAD
Since 1828

During FY2021, Boustead unveiled our refreshed global icon, revitalising our face to the world. This included a revitalisation of our brand identity, brand image and digital assets, which are now harmonised with our global presence, continued cultivation of enduring relationships, progressive reputation and long-term investments in people and technologies, with a focus on creating sustainable shared socio-economic value. Our refreshed global icon also continues to embody the **Boustead Way**, our unique brand of entrepreneurialism that has guided Boustead Men and Women for almost two centuries.



GLOBAL

Boustead delivers global experience, with over 1,500 projects installed in 90 countries and territories across six continents in the past 25 years alone. This is the hallmark of a truly global organisation. Our international centres of design, excellence and technology are home to over 1,100 team members present in 10 countries on three continents.



ENDURING

Boustead delivers enduring value, in line with the **Boustead Way**, our long trading history and our aim to continue creating sustainable shared socio-economic value. Key to this has been a culture that promotes adaptability and resilience – to embrace transformation and overcome global crises and the most challenging of circumstances.

The Boustead Way

The **Boustead Way** prioritises the pursuit of business with a greater purpose. It is about creating sustainable shared socio-economic value versus maximising short-term profit; promoting adaptability and resilience; and favouring longevity over sentimentality. It is a position, a value, a commercial sensibility that runs through every layer of our organisation.



PROGRESSIVE

Boustead delivers progressive technologies, staying in the moment and relevant to the times. Our founder, Mr Edward Boustead's true legacy was not his family name but a distinct brand of entrepreneurialism, one that favours longevity over sentimentality and has led to investments in progressive businesses and technologies that are aligned with megatrends.



REPUTABLE

Boustead delivers reputable quality, a distinction that has established our credibility as a long-standing, trusted organisation. At the centre of our reputation are Boustead Men and Women who continue to cultivate enduring and endearing relationships and trust, and deliver on our promises to clients – extending back almost two centuries.

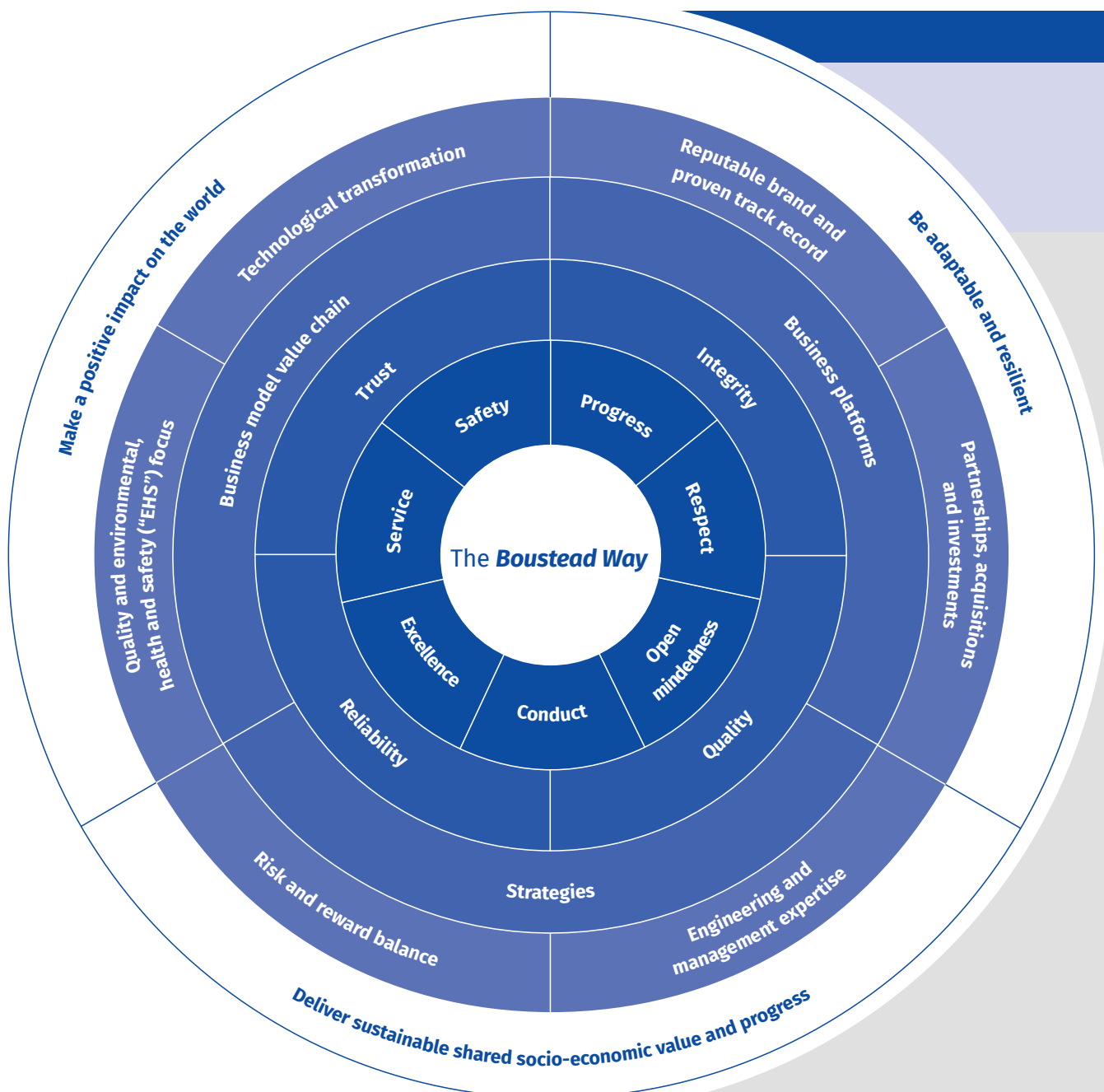
Mission, Vision & Business Model

Mission

To pursue business with a greater purpose – creating sustainable shared socio-economic value through providing progressive smart eco-sustainable solutions that empower stakeholders in the markets we serve.

Vision

To be the leading global provider of progressive smart eco-sustainable solutions.



Over Boustead's enduring heritage of almost two centuries, we have been delivering sustainable shared socio-economic value and progress to key stakeholders globally. 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, while always being guided by the **Boustead Way**.

As a knowledge-driven organisation, 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 90 countries and territories globally.

At our core is the **Boustead Way**, and our mission and vision, fortified by our fundamental principles and strong human-centric corporate values.

Over time, we have 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 resilient, deliver sustainable shared socio-economic value and progress to key stakeholders, and make a positive impact economically, environmentally and socially on the world. We are a trustworthy global corporate citizen with a greater purpose in mind.

Corporate Values



Progress



Respect



Open mindedness



Conduct



Excellence



Service



Safety

Striving for progress

We want to be distinguished for:

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

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 shared socio-economic value and progress to key stakeholders.

Keeping an open mind

We endeavour to push the boundaries of paradigms, research and technologies to 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 dynamic global business environment.

Prioritising safety

We believe in making safety an inherent part of our 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 – guided by the **Boustead Way**, along with our fundamental principles and strong human-centric corporate values. These business drivers highlight how we combine our core competencies and strategies for international markets to allow us to achieve our long-term objectives.

Business Platforms



Positioning and presence

- Successful spotting and positioning on global megatrends
- Global view with local market knowledge
- Focus on socio-economic development in high-growth markets
- Broad coverage of sectors
- Projects in 90 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, real estate, geospatial and healthcare sectors
- 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

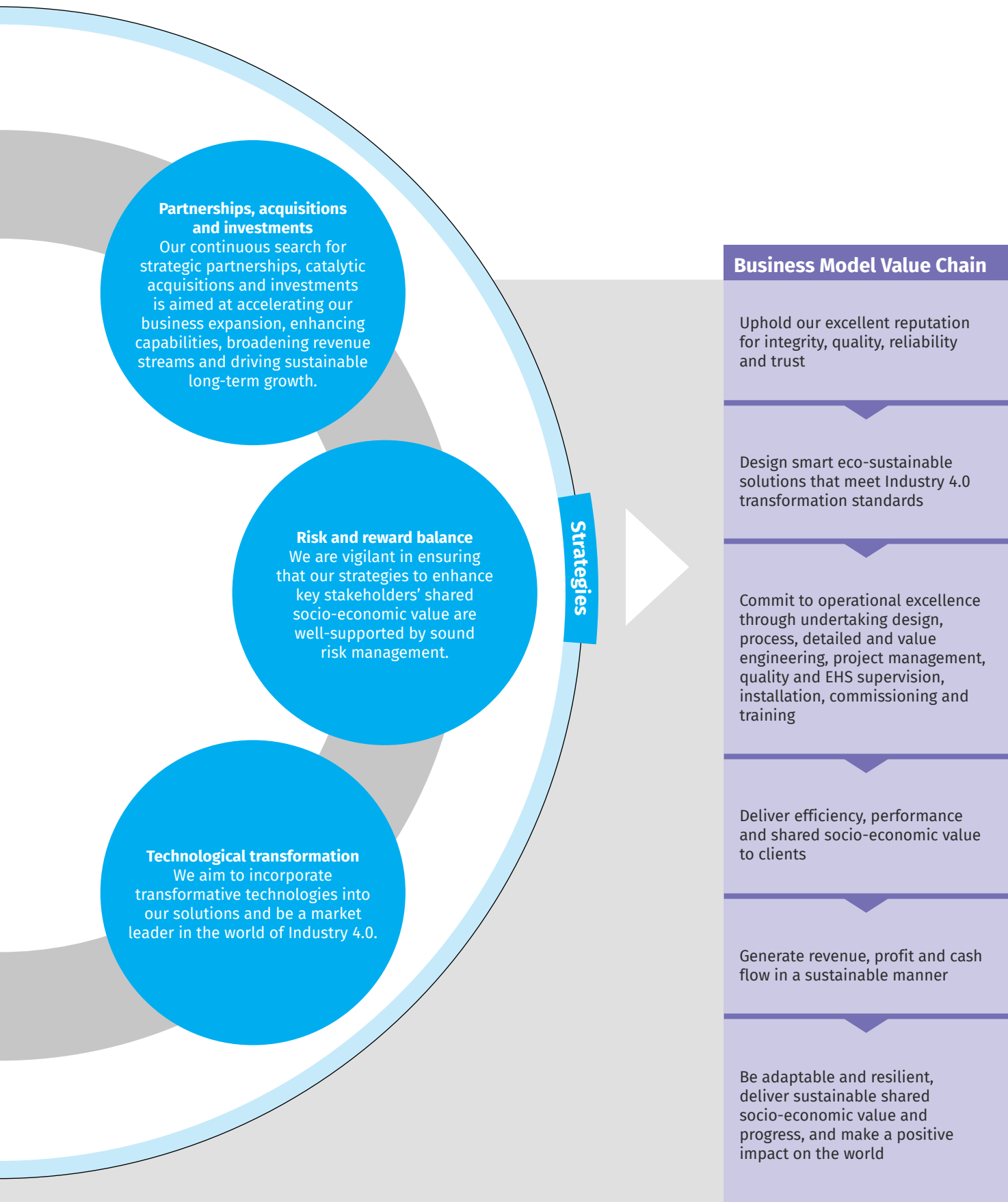
With an enduring brand heritage, we have established reputable positions in a broad range of sectors, bringing together in-depth domain expertise and proven technologies in over 1,500 projects in 90 countries and territories.

Engineering and management expertise

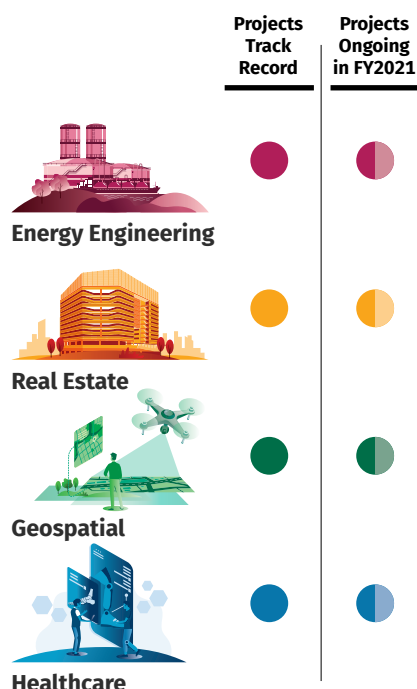
Our teams offer in-depth domain expertise and deliver value engineering, helping clients to achieve highly effective and cost competitive solutions that raise efficiency and sustainability while eliminating wastage.

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 Workplace Safety & Health Council bizSAFE Programme.



Global Presence



Projects undertaken in

90

countries and territories

Order backlog of

S\$447m*

North America

S\$23 million

order backlog

Latin America & Caribbean

S\$17 million

order backlog

North America

Canada



USA



Latin America & Caribbean

Argentina



Bolivia



Brazil



Chile



Dominican Republic



Mexico



Netherlands Antilles



Peru



Venezuela



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



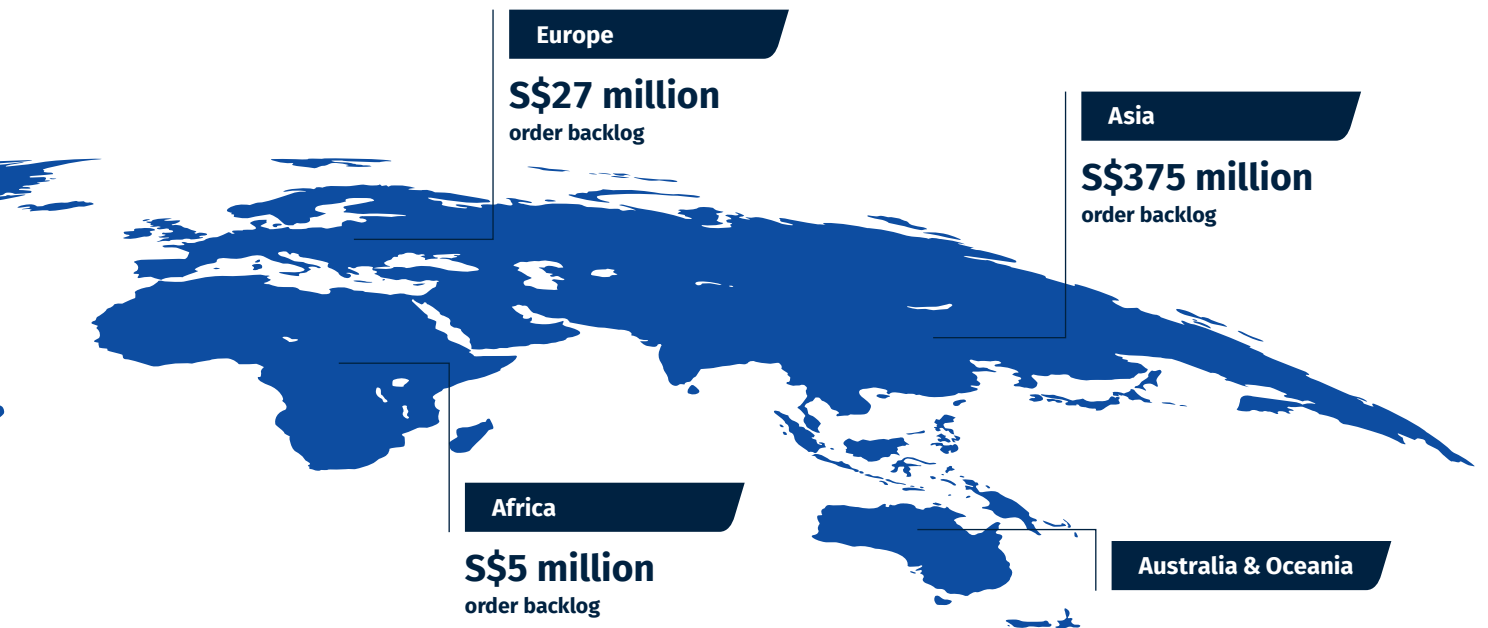
Netherlands



Switzerland



* Order backlog at end of FY2021 plus new orders secured since.



Africa

Eastern Africa

Mozambique
Tanzania

North Africa

Algeria
Egypt
Libya
Tunisia

Middle Africa

Angola
Equatorial Guinea

Western Africa

Cote d'Ivoire
Gabon
Ghana
Mauritania
Nigeria
Senegal

Asia

Middle East

Bahrain
Iraq
Jordan
Kuwait
Lebanon
Oman
Qatar
Saudi Arabia
UAE

Central Asia

Azerbaijan
Turkmenistan

South Asia

Bangladesh
India
Maldives
Pakistan
Sri Lanka

East Asia

China
Hong Kong
Japan
Macau
South Korea
Taiwan

South East Asia

Brunei
Indonesia
Malaysia
Myanmar
Philippines
Singapore
Thailand
Timor-Leste
Vietnam

Australia & Oceania

Australia
New Caledonia
New Zealand
Papua New Guinea

Group at a Glance

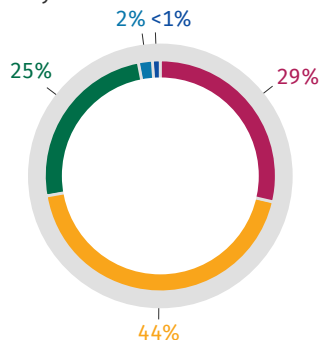
Overall Financial Performance

Group Revenue

S\$685.7 million

FY2020: S\$726.6 million

Year-on-year: ↓ 6%

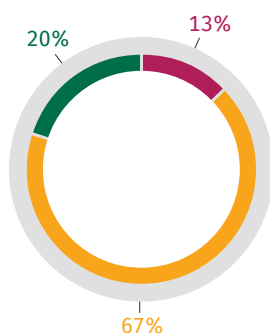


Group Profit before Income Tax

S\$204.3 million*

FY2020: S\$63.0 million

Year-on-year: ↑ 224%

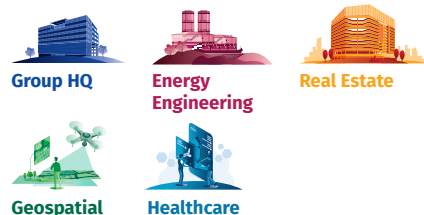
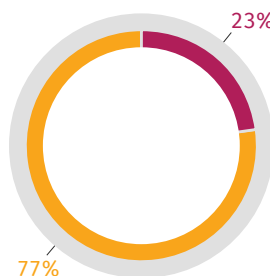


Group Contracts Secured

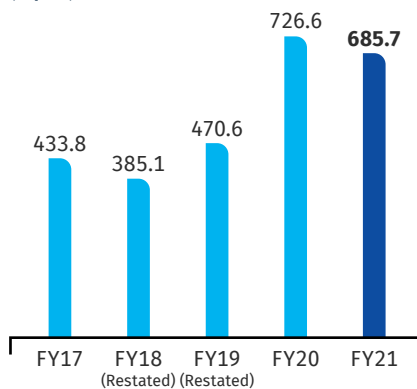
S\$230 million**

FY2020: S\$396 million

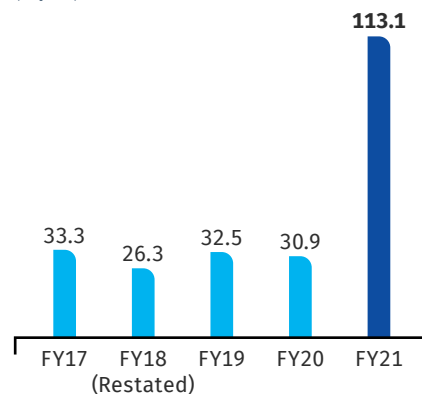
Year-on-year: ↓ 42%



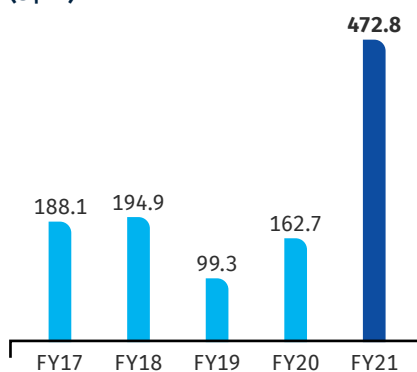
Group Revenue (S\$m)



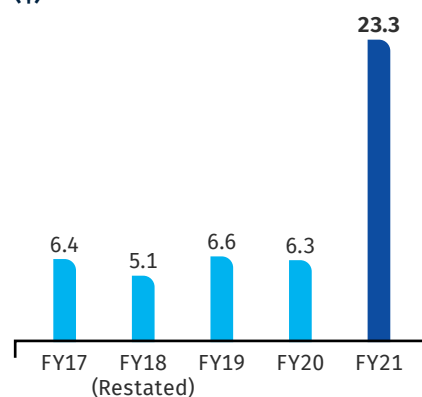
Group Net Profit (S\$m)



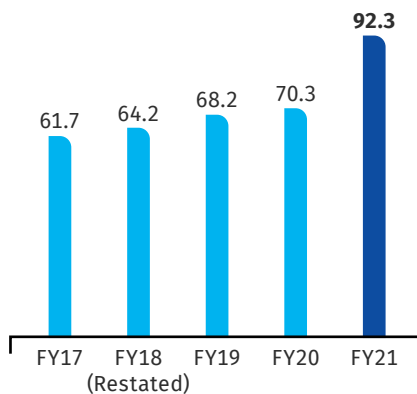
Net Cash Position (S\$m)



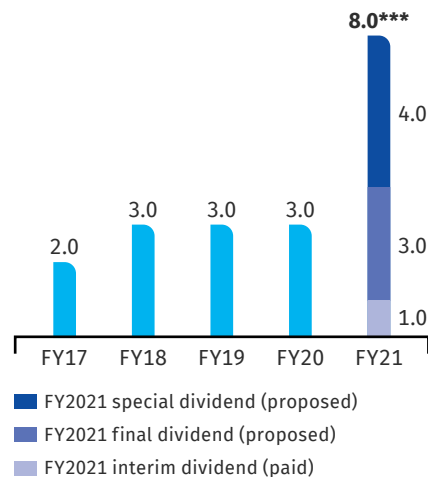
Basic Earnings per Share (¢)



Net Asset Value per Share (¢)



Gross Dividend per Share (¢)



* Includes Boustead Industrial Fund's value-unlocking transaction one-off gain of S\$134.8 million.

** Excludes contracts secured by Boustead Salcon Water Solutions, which was sold in December 2020.

*** Includes final dividend of 3 cents per share and special dividend of 4 cents per share.

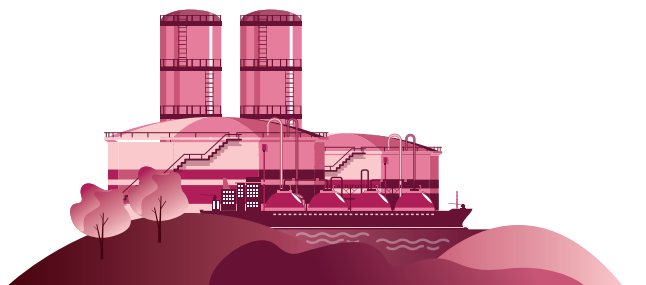
	FY2017 S\$'000	FY2018 S\$'000 (Restated)	FY2019 S\$'000 (Restated)	FY2020 S\$'000	FY2021 S\$'000
Revenue and Profits					
Revenue	433,847	385,106	470,646	726,561	685,710
Gross profit	143,551	147,468	141,140	167,227	173,603
Profit before income tax	67,686	55,651	62,357	63,040	204,295
Total profit	53,486	42,159	49,579	44,459	178,855
Profit attributable to equity holders of the Company	33,294	26,322	32,519	30,872	113,073
Cash/Scrip dividends	(10,583)	(15,080)	(14,953)	(14,655)	*** (38,737)
Statement of Financial Position					
Equity attributable to equity holders of the Company	321,952	316,377	336,143	342,632	446,953
Non-controlling interests	122,706	126,631	146,207	154,103	218,720
Capital Employed	444,658	443,008	482,350	496,735	665,673
Trade receivables (non-current)	-	4,619	11,212	19,850	20,211
Other receivables and prepayments (non-current)	6,577	3,127	5,759	5,831	61,118
Contract assets (non-current)	-	5,274	2,657	1,568	8,853
Investment securities (non-current)	-	-	44,544	42,877	32,785
Available-for-sale financial assets (non-current)	65,903	38,565	-	-	-
Property, plant and equipment	11,699	11,830	17,221	28,896	29,596
Right-of-use assets (non-current)	-	-	-	14,994	13,204
Finance lease receivables (non-current)	-	-	-	21,765	20,794
Investment properties	134,796	128,827	182,118	176,713	82,588
Intangible assets	992	737	2,137	1,894	1,396
Investments in associates	-	588	12,875	18,410	20,836
Investments in joint ventures	32,354	37,148	40,673	60,707	70,123
Net deferred income tax (liabilities)/assets	(236)	(2,159)	1,114	2,767	12,814
Net cash position	188,145	194,878	99,264	162,713	472,823
Net current assets/(liabilities) (excluding cash and borrowings)	14,247	27,332	72,899	44,141	(72,915)
Non-current liabilities (excluding deferred income tax liabilities and borrowings)	(9,819)	(7,758)	(10,123)	(106,391)	(108,553)
Assets Employed	444,658	443,008	482,350	496,735	665,673
Financial Statistics					
Operating profit over turnover (%)	15.6	14.5	13.2	8.7	29.8
Return on equity (%) (Note 1)	10.3	8.3	9.7	9.0	25.3
Gross dividend per share (¢)	2.0	3.0	3.0	3.0	**8.0
Dividend cover (times)	3.2	1.7	2.2	2.1	**2.9
Basic earnings per share (¢) (Note 2)	6.4	5.1	6.6	6.3	23.3
Net asset value per share (¢) (Note 3)	61.7	64.2	68.2	70.3	92.3
Debt-to-equity (%) (Note 4)	19.9	15.9	30.6	24.0	1.0
Loan-to-valuation (%) (Note 5)	25.1	20.4	34.3	31.8	0.0

Notes:

1. Based on profit attributable to equity holders of the Company divided by equity attributable to equity holders of the Company.
2. Based on profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the financial year ended 31 March.
3. Based on equity attributable to equity holders of the Company divided by the number of ordinary shares in issue at the end of the financial year ended 31 March.
4. Based on total borrowings divided by total equity.
5. Based on total secured borrowings by the Real Estate Division (Boustead Projects Limited) divided by the combined independent professional valuations of properties held for sale and investment properties.

Group at a Glance

Division Financial Performance



ENERGY ENGINEERING

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

This division has undertaken over 1,300 projects in 88 countries and territories globally.

Division Revenue

S\$198.4 million

FY2020: S\$144.5 million
Year-on-year: ▲ 37%

Division Profit/(Loss) before Income Tax

S\$28.0 million

FY2020: S\$7.9 million
Year-on-year: ▲ 254%

Division Contracts Secured

S\$52 million*

FY2020: S\$304 million
Year-on-year: ▼ 83%

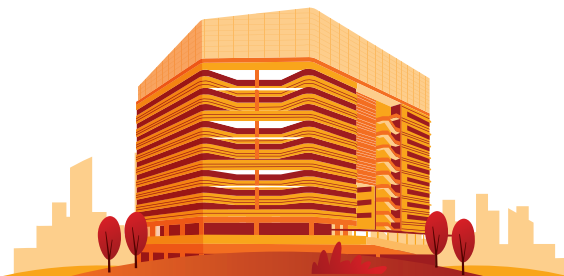
Division Team Members

230

FY2020: 298
Year-on-year: ▼ 23%

Read more on pages 32 to 37.

* Excludes contracts secured by Boustead Salcon Water Solutions, which was sold in December 2020.



REAL ESTATE

Our Real Estate Division under Boustead Projects Limited provides innovative real estate solutions such as custom-built, smart, eco-sustainable and future-ready business park and industrial developments.

This division has undertaken over 200 projects totalling over 3,000,000 square metres of real estate in four countries in the Asia Pacific.

Division Revenue

S\$301.4 million

FY2020: S\$426.2 million
Year-on-year: ▼ 29%

Division Profit before Income Tax

S\$140.6 million**

FY2020: S\$27.5 million
Year-on-year: ▲ 412%

Division Contracts Secured

S\$178 million

FY2020: S\$93 million
Year-on-year: ▲ 91%

Division Team Members

271

FY2020: 277
Year-on-year: ▼ 2%

Read more on pages 38 to 45.

** Includes Boustead Industrial Fund's value-unlocking transaction one-off gain of S\$134.8 million.



GEOSPATIAL

Our Geospatial Division provides professional services and exclusively distributes Esri ArcGIS technology – the world’s leading geographic information system (“GIS”), smart mapping and location analytics platform – along with related GIS solutions.

This division has over 13,000 clients including key government agencies and organisations in eight countries in the Asia Pacific.

Division Revenue

S\$170.4 million

FY2020: S\$137.3 million
Year-on-year: ▲ 24%

Division Profit before Income Tax

S\$40.7 million

FY2020: S\$29.7 million
Year-on-year: ▲ 37%

Division Year-End Deferred Services Backlog

S\$100 million

FY2020: S\$73 million
Year-on-year: ▲ 37%

Division Team Members

503

FY2020: 448
Year-on-year: ▲ 12%

Read more on pages 46 to 55.



HEALTHCARE

Our Healthcare Division provides innovative medical solutions that address niche areas of age-related chronic diseases and mobility issues, with a focus on rehabilitative care and sports science.

This division’s clients include government and private hospitals, nursing homes and outpatient centres in five countries and territories in the Asia Pacific.

Division Revenue

S\$15.2 million

FY2020: S\$18.2 million
Year-on-year: ▼ 16%

Division Profit/(Loss) before Income Tax^{***}/^{****}

(S\$0.1 million)

FY2020: S\$1.1 million

Division Team Members

89

FY2020: 91
Year-on-year: ▼ 2%

Read more on pages 56 to 59.

^{***} Excludes S\$0.4 million annual amortisation adjustment by Group on acquisition over three years.

^{****} Includes after-tax share of contribution from associate, Beijing Pukang Sport & Medical Co Ltd of S\$2.0 million in FY2020 and S\$1.5 million in FY2021.

Group at a Glance

Socio-Economic & Sustainability Performance

“Not all profit is equal. Profits involving a social purpose represent a higher form of capitalism, one that creates a positive cycle of company and community prosperity.”

- Professor Michael Porter

Shared Socio-Economic Value Creation and Distribution in FY2021

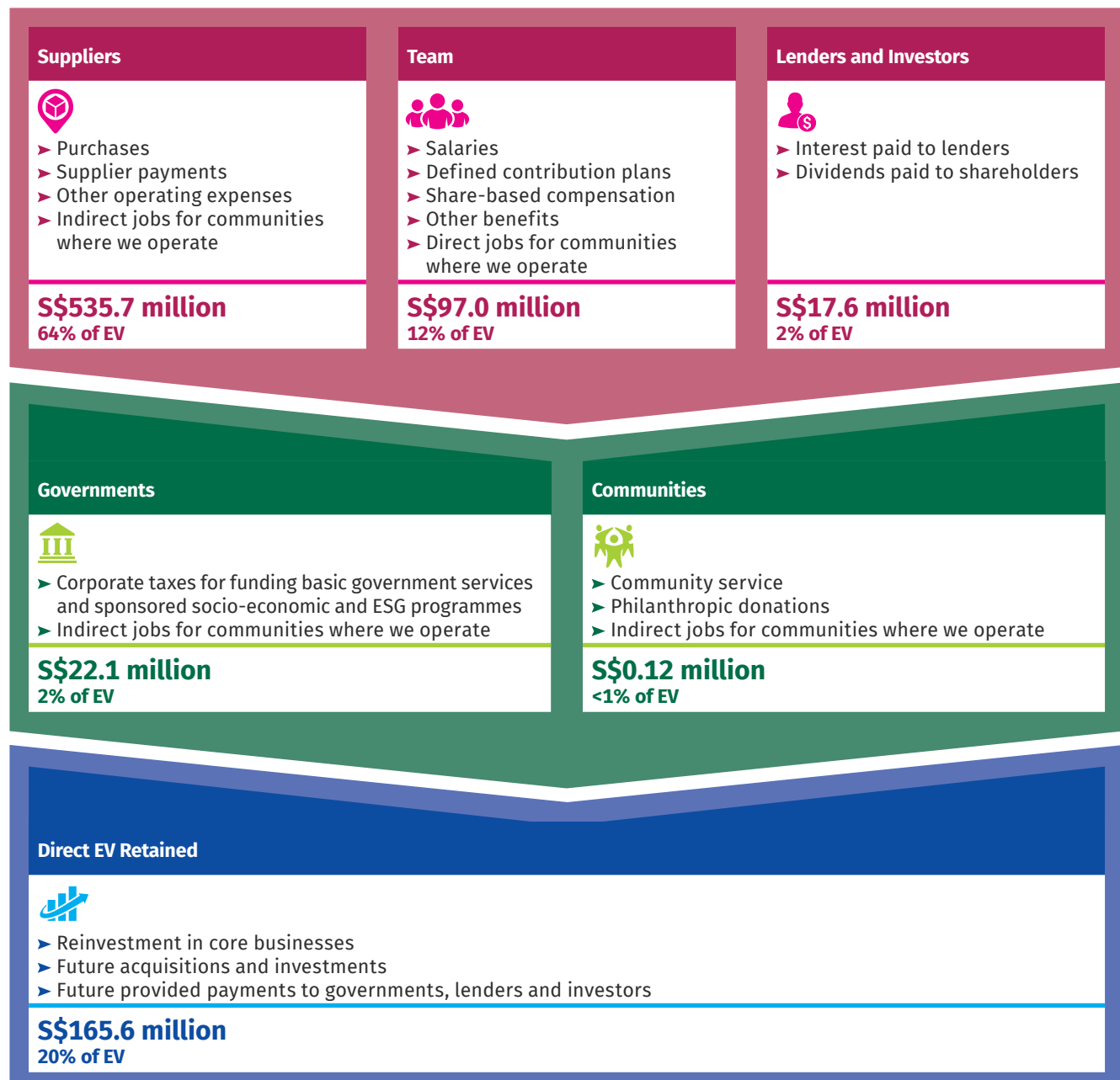
Over Boustead's enduring heritage, we have continued to perform our role as a trustworthy global corporate citizen, incubating and growing businesses with a greater purpose – creating sustainable shared socio-economic value in the process – and developing trusting relationships with key stakeholders globally. We have

generated and distributed tremendous direct economic value (“EV”) and environmental, social and governance (“ESG”) benefits to key stakeholders including our team, clients, partners, suppliers, lenders, shareholders, the media, governments and communities.

Our continuous profitability every year since our current leadership took over in FY1997 – except for FY2002 –

has enabled us to reinvest in creating sustainable shared socio-economic value and delivering progress to key stakeholders, laying the cornerstones for our long-term success and longevity.

In FY2021, S\$838.1 million in direct EV was generated, which was shared among key stakeholders as shown here.



Transformative Technologies Deployment

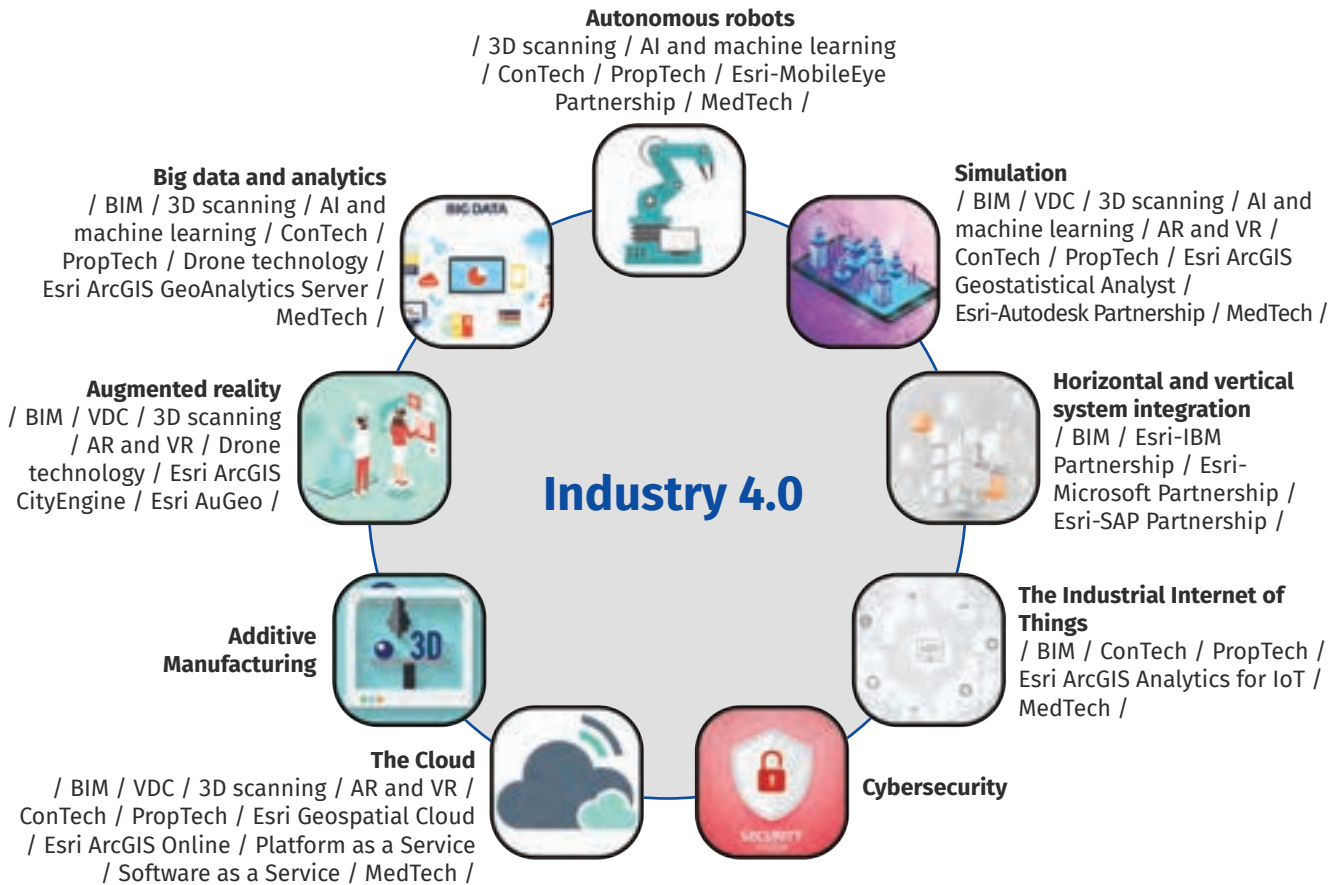
According to Boston Consulting Group ("BCG"), Industry 4.0 – the fourth industrial revolution – is a transformation that makes it possible to gather and analyse data across machines, enabling faster, more flexible and more efficient processes to produce higher quality goods at reduced costs. This will increase productivity, shift economics, foster industrial growth and

modify the profile of the workforce and ultimately change the competitiveness of organisations 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.

For nearly two centuries, Boustead has been a pioneering force globally, with our businesses being part of

multiple industrial revolutions. Today, our innovative real estate solutions continue to shape custom-built, smart, eco-sustainable and future-ready business park and industrial developments across Asia's built environment sector, while our geospatial solutions are providing digital transformation and smart mapping capabilities that enable smart cities, smart communities and Internet of Things applications.

Transformation Initiatives Overlay on Nine Technologies of Industry 4.0

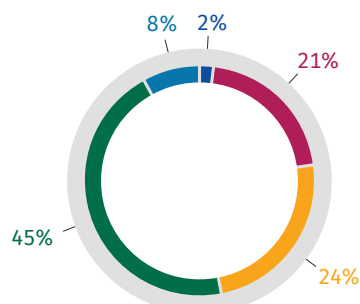


Team Deployment in FY2021

1,114

team members

FY2020: 1,135 team members



Group HQ

2%

FY2020: 2%



Energy Engineering

21%

FY2020: 26%



Real Estate

24%

FY2020: 25%



Geospatial

45%

FY2020: 39%



Healthcare

8%

FY2020: 8%

Group at a Glance

Socio-Economic & Sustainability Performance

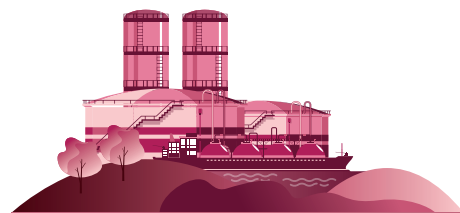
Environmental, Social and Quality Contributions






Eco-sustainable solutions in action

We have delivered numerous transformative projects and eco-sustainable solutions around the world which continue to provide significant shared economic and ESG benefits to our clients every year and contribute

positively to the environment and community ecosystems around them. In the global oil & gas sector, Boustead International Heaters' waste heat recovery units ("WHRUs") capture thermal energy from high temperature turbine exhaust and flue gases, which is efficiently transferred for use by other utilities, thus reducing the overall energy demand of plants and

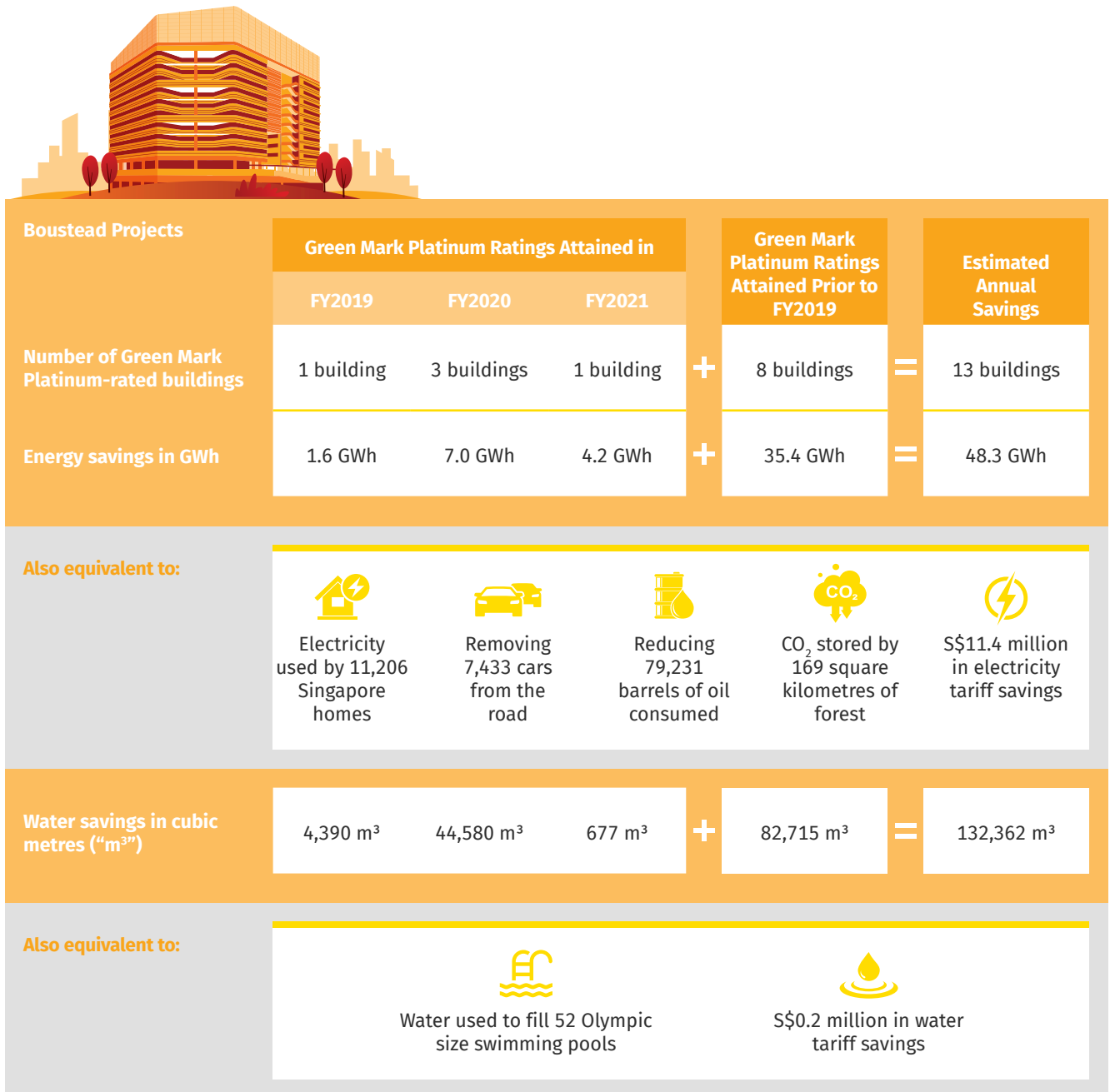
potentially doubling the operational efficiency of gas-fired turbines. Under the Building & Construction Authority ("BCA") Green Mark Programme, Boustead Projects has delivered numerous Green Mark Platinum-rated business park and industrial developments. In FY2021, our clients and their surrounding ecosystems enjoyed estimated benefits as shown here.



Boustead International Heaters	Attained in				Cumulative Capacity Attained Prior to FY2019	Estimated Annual Recovery
	FY2019	FY2020	FY2021			
Number of WHRUs	13 WHRUs	37 WHRUs	12 WHRUs	+	153 WHRUs	= 215 WHRUs
Annual thermal energy recovery in gigawatt-hours ("GWh")	1,022 GWh	10,582 GWh	4,320 GWh	+	33,390 GWh	= 49,316 GWh
Also equivalent to:						
<div>  Gas heating used by 6.4 million UK homes </div> <div>  Removing 7.6 million cars from the road </div> <div>  Reducing 80.9 million barrels of oil consumed </div> <div>  CO₂ stored by 173,283 square kilometres of forest </div> <div>  £1.2 billion in industrial gas tariff savings </div>						

Note:

Calculations are based on contractual specifications, with the main conversion calculations based on the UK Government Department for Business, Energy & Industrial Strategy's Digest of UK Energy Statistics (DUKES) 2020 and Quarterly Energy Prices 2020. Other supplementary conversion calculations are based on the US Environmental Protection Agency's greenhouse gas equivalencies calculator.

**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 Singapore Energy Statistics 2020 and PUB's Water Price Revisions 2017. Other supplementary conversion calculations are based on the US Environmental Protection Agency's greenhouse gas equivalencies calculator.

Group at a Glance

Socio-Economic & Sustainability Performance

Quality

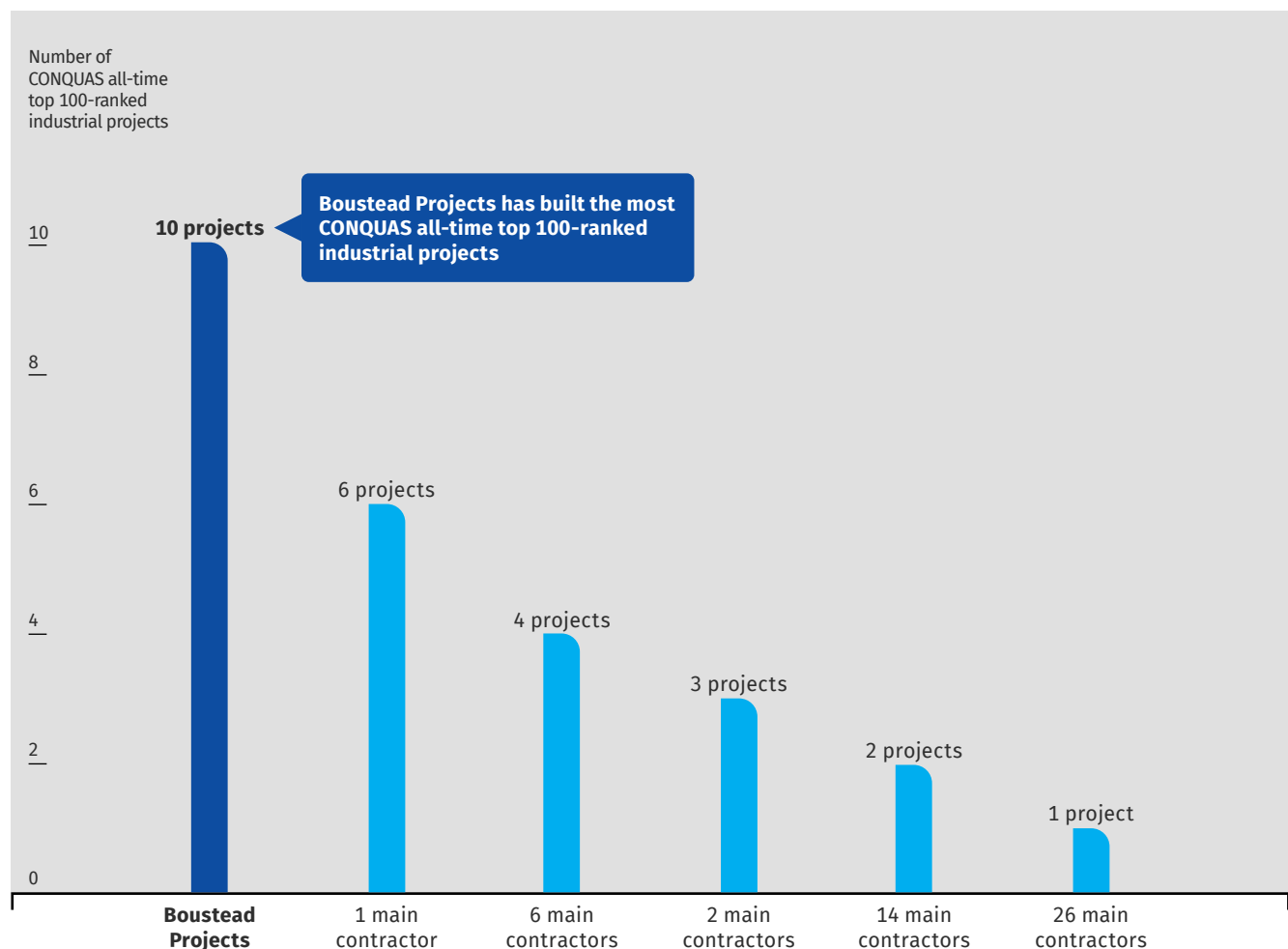
As a promoter of quality, Boustead Projects is a leader in the BCA Construction Quality Assessment System ("CONQUAS"), which is used to measure the quality achieved in a completed construction project in Singapore in respect of structural, architectural, and mechanical &

electrical works. BCA CONQUAS is a voluntary quality assessment in respect to most private sector industrial projects.

During FY2021, DB Schenker Shared Logistics Center (ALPS) received a CONQUAS score of 93.9%, placing the project at 8th on the BCA CONQUAS

all-time top 100 industrial projects list. To date, our efforts in construction quality have been recognised with 10 projects ranked in the BCA CONQUAS all-time top 100 industrial projects list, making us the top main contractor on the list. Our track record of 13 projects on the BCA CONQUAS list is shown on the next page.

Projects on BCA CONQUAS All-Time Top 100 Industrial Projects List*



* Updated as at 18 June 2021.

Projects on BCA CONQUAS List*

Projects	CONQUAS Scores	Rank on All-Time Top 100 Industrial Projects List (June 2021)
DB Schenker Shared Logistics Center (ALPS)	93.9%	8th
ALICE@Mediapolis	93.8%	9th
Seagate Singapore Design Center – The Shugart	92.2%	n.a. (commercial project)
Yusen Tuas	92.0%	18th
ST Omega 2	91.5%	21st
Edward Boustead Centre	91.3%	25th
Kerry Logistics Centre – Tampines	90.7%	30th
Bolloré Green Hub	90.3%	34th
Continental Building Phase 3	89.6%	40th
ST Electronics Building	89.1%	47th
ST Engineering Hub	85.1%	80th
Rolls-Royce Test Bed Facility	82.9%	n.a. (outside top 100 projects)
Sun Venture Investments@50 Scotts Road	81.5%	n.a. (commercial project)

Chairman's Message

**WONG FONG FUI**Chairman &
Group Chief Executive Officer**Summary of message**

Not forbearing the COVID-19 global pandemic, Boustead continued to unlock and deliver value to our stakeholders:

- ▶ FY2021 was a year of revenue and profit milestones.
- ▶ Measures were taken to ensure business continuity in the pandemic.
- ▶ Boustead was again named among Singapore's Best Employers.
- ▶ Technology will facilitate transformation.

Dear Fellow Shareholders,

It gives me great pleasure to present to you the Boustead FY2021 Annual Report for the financial year ended 31 March 2021.

During this most tumultuous year in the world, our leadership has truly been put to the test in many areas, not least in ensuring our business continuity in the midst of all of the extended lockdowns that occurred globally in the past year. In this respect, I am glad to report that our senior leadership teams across our various divisions dug deep into their collective experience to keep our business brands performing and deliver a record profit attributable to you ("net profit") – our fellow shareholders – surpassing the S\$100 million mark for the first time in our listed history, which dates back to 1975.

Not to be mistaken, our businesses were certainly affected by the COVID-19 pandemic. But when adversity strikes, there exists the opportunity for our leadership to prove ourselves. We prioritised and put in tremendous efforts to safeguard the wellness, health and safety of our teams, while balancing the needs for performance and productivity.

Overall revenue was 6% lower year-on-year at S\$685.7 million, with the largest impact of the pandemic felt on

the revenue performance of the Real Estate Division (Boustead Projects), although this was mostly buffered by the significantly positive revenue performances at the Energy Engineering Division and Geospatial Division.

Despite the decline in overall revenue, net profit set a new record of S\$113.1 million, thanks to better core performances at the Energy Engineering Division and Geospatial Division, and an eagerly awaited value-unlocking event at Boustead Projects, which allowed Boustead Projects to deliver their own record net profit through the successful launch of Boustead Industrial Fund ("BIF"), with a BIF value-unlocking transaction one-off gain ("BIF Value Unlocking Gain") of S\$134.8 million. I wish to applaud our senior leaders – Wong Yu Loon, Brett Bundock, Leslie Wong, Thomas Pramotedham, Stuart Cummings, Thomas Chu and Wong Yu Wei – for credible performances during these difficult times.

Had our net profit been adjusted to exclude other gains/losses net of non-controlling interests (mostly the BIF Value Unlocking Gain), one-off net gain from the sale of the water business, impairment losses, one-off legal settlements and payouts received from the Singapore

Our FY2021 performance was made possible by our global presence, continued cultivation of enduring relationships, progressive reputation and long-term investments in people and technologies, with a focus on creating sustainable shared socio-economic value.

Government's Jobs Support Scheme net of non-controlling interests, net profit for FY2021 would have been 23% higher year-on-year, a respectable signal of the underlying normalised profit that our Group generated.

This was made possible by our global presence, continued cultivation of enduring relationships, progressive reputation and long-term investments in people and technologies, with a focus on creating sustainable shared socio-economic value.

FY2021 – A Year of Revenue and Profit Milestones

During FY2021, two divisions delivered revenue growth, while three divisions delivered profit before income tax ("PBT") growth. In total, two divisions set new revenue records and two divisions set new PBT records.

Our Energy Engineering Division successfully endured another challenging year in what is now the sixth year of a global oil & gas ("O&G") sector recession that started in 2015. FY2021 also witnessed a mind-boggling negative crude oil price for the first time in history, a sign of the confounding times. Having been fortunate to build up a record order backlog prior to the pandemic, UK-headquartered

Boustead International Heaters ("BIH") under CEO Stuart Cummings, powered the Energy Engineering Division to division revenue that was 37% higher year-on-year at S\$198.4 million, a new division record. This was managed despite only nine months of revenue contribution from the division's former water business, Boustead Salcon Water Solutions, which was sold in December 2020. Division PBT was 254% higher year-on-year at S\$28.0 million, again led by BIH. However, even as division revenue and PBT came in at strong levels, business development activities were severely hampered by volatile crude oil prices, the jarring imbalance between demand and supply – especially during lockdowns – and the global O&G sector's hesitance to proceed to the final investment decision stage during this uncertain period. As such, just S\$52 million in contracts were secured, which makes it very difficult for the division to replicate the same performance in FY2022.

Despite our Real Estate Division (Boustead Projects) suffering four months of closure of project sites in Singapore, Boustead Projects was still our largest revenue contributor for the 14th successive year. The prolonged closure of project sites, significantly lower productivity and

severe shortage of foreign labour resources after reopening, caused division revenue to be 29% lower year-on-year at S\$301.4 million. Boustead Projects also grappled with unprecedented pandemic-related costs – with most projects being affected by lower margins due to being secured pre-pandemic – and lower quantum of cost savings from previously completed projects, affecting normalised division PBT. Nonetheless, credit goes to Wong Yu Wei, Samuel Lim and Ho Tai Wing for guiding the real estate team to the successful launch of BIF, which delivered the BIF Value Unlocking Gain of S\$134.8 million and lifted division PBT to S\$140.6 million, a new division record. BIF is Boustead Projects' maiden full-fledged private real estate trust and has given Boustead Projects a compelling capital recycling platform, added the new fund management business and brings to completion Boustead Projects' offerings across the entire industrial real estate value chain. While Boustead Projects may have seen difficult conditions in FY2021 that will persist through FY2022, the foundations laid by the team through platforms and partnerships have made it possible for Boustead Projects to bounce back stronger and faster than the competition once conditions improve.

Chairman's Message

Our Geospatial Division continues to demonstrate stellar performance, with growth in division revenue and PBT for the fifth successive year. New enterprise agreements and firm demand for geospatial technology and smart mapping capabilities saw division revenue climb 24% higher year-on-year to S\$170.4 million, while division PBT was 37% higher year-on-year at S\$40.7 million – both marking new division records. Managing Director Brett Bundock and the extended leadership team continued to demonstrate resilience and in fact, confirmed the value of geospatial technology in the fierce battle against the pandemic. The division continued to provide critical smart mapping support to government agencies, who deployed Esri ArcGIS technology in areas including COVID-19 data hubs, healthcare locations, contact tracing, testing and vaccine logistics. I am proud to share how this division has been an integral part of government and community efforts to fight this common enemy and safeguard people's wellness, health and safety, along with providing the underlying support to partially restore economies and livelihoods across the region in the past year. We will continue to support governments and communities to bring this pandemic under control.

Affected by the pandemic, our Healthcare Division's revenue was 16% lower year-on-year at S\$15.2 million, while there was a division loss before income tax of S\$0.5 million. Excluding the annual amortisation adjustment of S\$0.4 million (this is the final year with such an adjustment), then the loss before income tax would have been S\$0.1 million, putting the division at roughly breakeven. The division's clients, being hospitals and rehabilitation clinics, were rather preoccupied with containing the pandemic and hence, had less time to evaluate other healthcare initiatives

including rehabilitation. While the division's short-term prospects were affected, long-term prospects remain positive due to demographics and ageing populations across the Asia Pacific.

With the respectable performance of our businesses and Boustead Projects' proposed dividend of 15.4 cents per Boustead Projects share after the BIF Value Unlocking Gain, your Board has proposed a final dividend of 3 cents per share and special dividend of 4 cents per share payable in cash for your approval. Together with the interim dividend of 1 cent per share already paid, the total dividend stands at 8 cents per share, the highest cash dividend on a post-split basis.

To wrap things up in an active year with multiple corporate exercises including the successful launch of BIF, we wound down operations and/or disposed of our only non-performing businesses. Both of these businesses – the mini-power plant business and water business – happen to be from the Energy Engineering Division. All material provisions had been made for the mini-power plant business which is no longer executing projects, while the water business was sold off, wiping the slate clean for FY2022.

Business Continuity in the Pandemic

The pandemic has drastically altered the way we live our lives in every respect. When lockdowns occurred across our international operations, our teams were quick to respond, implementing technology to carry out secure remote working arrangements for extended periods, in some cases, almost the whole of FY2021. Even for tasks which required heavy IT processing capabilities such as design, process and detailed engineering, remote working arrangements were seamlessly integrated into workflows. This technology-driven approach

enabled our over 1,100 team members to collaborate and connect through Cloud-based sharing platforms, telecommuting and virtual meetings, and progress on schedule with most projects, with the exception of Boustead Projects' inescapable onsite construction activities. Outside of construction activities, productivity was slightly affected but wellbeing, health and safety were prioritised.

With the return of many of our teams to offices in the past year, we reconfigured working arrangements and implemented a slew of safe management measures. At Boustead Projects, technology has also been a key part of the solution to safely reopen project sites. Among Boustead Projects' various technology initiatives, they partnered with TraceSafe, provider of wearable safety devices, through the Singapore Government's Open Innovation Platform. Attached to helmets, the devices can withstand the rugged conditions of the built environment sector and are able to provide real-time contact tracing, safe distancing and geo-fencing capabilities onsite. The devices send signals to individual workers when they have breached safe boundaries of separated work zones or are too close to one another, making everybody onsite safer. With the successful implementation at the first project site, TraceSafe is now in the process of being rolled out across all project sites.

Grooming Boustead Men and Women

Our Boustead Men and Women are at the centre of everything we do, the very proponents of the **Boustead Way**. As a knowledge-driven, business-to-business and people-to-people organisation, the continuous elevation of our Team Development Programme is paramount.

I am pleased to share that in April 2021, Boustead was again named among Singapore's Best Employers published by *The Straits Times* and global research

firm Statista, our second year running on this list which was first published in 2020. We are ranked 40th overall in Singapore and 1st in our respective sector category of Business Services & Supplies (including Real Estate), based on over 200,000 evaluations conducted across 26 sectors for corporations employing at least 200 people, of which there are about 1,700 such corporations in Singapore including Fortune 500 corporations, large multinational corporations and homegrown corporations. This endorsement of our Team Development Programme shows that we are moving in the right direction. At the same time, we recognise that uplifting our organisation to higher standards is a continuous journey, strategically important in order to attract new talent and retain existing talent, as good talent is always hard to come by.

With leadership succession and named successors in place for almost the entire senior leadership team across the Group, we will emphasise the grooming of the leadership bench, particularly middle management and those demonstrating leadership potential, to strengthen our core further, as we navigate this turbulent environment and chart our future direction.

Technology as a Facilitator of Transformation

As we continue to push forward with our mission to create sustainable socio-economic value in the **Boustead Way**, the pandemic has laid bare that the way to navigate this difficult environment is to provide our Boustead Men and Women with technology, to support our team members' efforts to transform our organisation and that of our clients as well.

Technology in and of itself is not very useful unless applied in the right context. Thus far, among our technology

portfolios, our Geospatial Division has demonstrated the application and enablement that technology provides – particularly smart mapping capabilities – across all types of industries and in a manner that covers high-level strategy to business continuity activities and daily operations, all while trying to keep people of all walks of life – well, healthy and safe. Central to the application of technology, we continue to help our clients, primarily government agencies and increasingly the private sector to build smarter, greener and safer communities, with the implementation of smart eco-sustainable solutions that drive future smart cities, climate change resilient infrastructure and support the United Nations' 17 Sustainable Development Goals. Across the rest of the Group, we are also evaluating how our existing technology portfolios can be combined with other technologies to deliver solutions that are relevant to addressing humanity's needs under prevailing megatrends and also outside of the industry applications we have built a niche in.

Interesting propositions have been generated. However, finding the right technologies, especially those that can be turned into economically-feasible solutions is not an easy task. If the start-up world is any indication, 90% of all start-ups will fail and two-thirds may never generate a profit for various reasons including poor leadership and management, value propositions, business models and execution. This will not deter us from exploring or investing in potential technological innovators but we do have to apply a strict risk-based approach to acquisitions and investments. If we go down this path, some failures should be expected and plenty of patience is required. As new technologies may not always be familiar – as is the case with most disruptive technologies – we may also have to change our investment strategy to make smaller bite-sized investments

rather than taking majority or controlling shareholder stakes as we have done with past businesses. Much of our evaluation will be centred on gaining comfort with management, value propositions and business models, aspects of business that we have honed over our long trading history. In addition, the synergistic effects of acquisitions and investments will be thoroughly assessed.

A Word of Appreciation

I would like to express my deepest gratitude to our leadership and dedicated team members – Boustead Men and Women – who serve around the world for creating sustainable shared socio-economic value everyday and for helping to make our brand globally enduring, while upholding our credible and progressive reputation. I would like to extend my appreciation to all of our key stakeholders – clients, business partners, associates, bankers, suppliers, government agencies 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 cultivating business with a greater purpose; for partaking in creating sustainable shared socio-economic value; for being a supporter of the **Boustead Way**. I look forward to meeting you at our virtual Annual General Meeting.

May you and your loved ones stay well, healthy and safe during these tumultuous times.

Wong Fong Fui

Chairman &
Group Chief Executive Officer

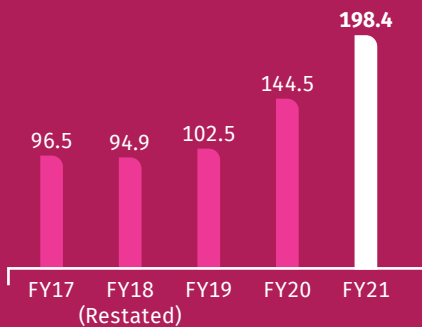
Energy Engineering

Performance Highlights

Division Revenue

S\$198.4 million

Year-on-year: \uparrow 37%

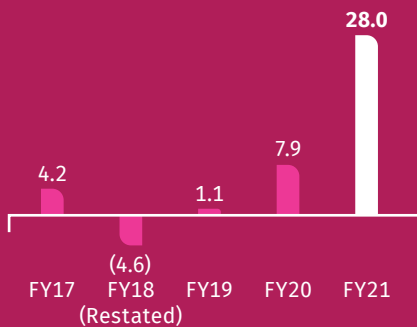


► Record revenue and a third consecutive year of revenue growth were supported by the order backlog from the downstream O&G business.

Division Profit/(Loss) before Income Tax ("PBT")

S\$28.0 million

Year-on-year: \uparrow 254%

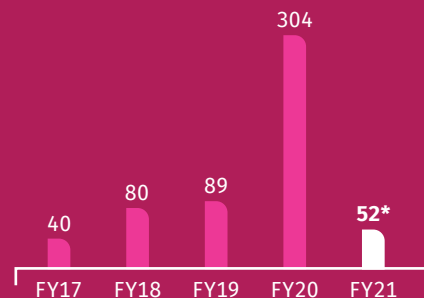


► Higher PBT and a third consecutive year of PBT growth were supported by revenue conversion from the downstream O&G business.

Division Contracts Secured

S\$52 million*

Year-on-year: \downarrow 83%



► Lower contracts secured were due to delays in final investment decisions of clients amid the COVID-19 pandemic.

* Excludes contracts secured by Boustead Salcon Water Solutions, which was sold in December 2020.

About

Our Energy Engineering Division's key business brands – Boustead International Heaters and Boustead Controls & Electrics – provide critical process technologies and eco-sustainable solutions to the global oil & gas ("O&G"), petrochemical and energy sectors. This division's clients include 60% of the world's top 20 O&G corporations.

Market Sectors

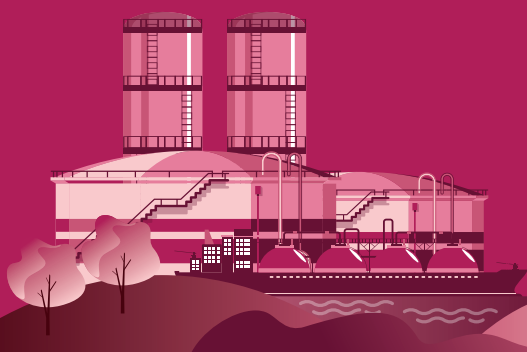
O&G AND PETROCHEMICALS

- 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
- Waste heat recovery

Geographic Markets

88 COUNTRIES AND TERRITORIES

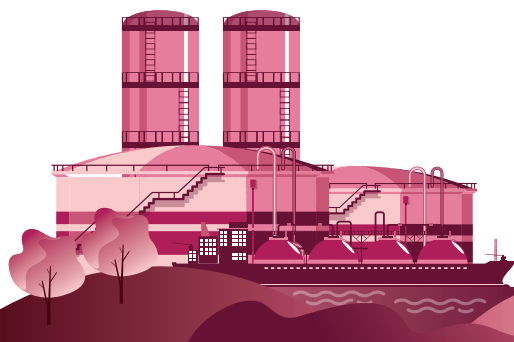
- Africa
- Asia Pacific
- Australia & Oceania
- Europe
- Latin America & Caribbean
- Middle East
- North America





Perspective of LNG Canada, Canada
©Courtesy of LNG Canada

Energy Engineering



Market Review

The market was focused on:

- Challenging market conditions;
- Volatile crude oil prices; and
- Delays in final investment decisions.

Key Highlights

Our Energy Engineering Division achieved:

- Record division revenue;
- Respectable division profit recovery; and
- The sale of the challenging water business.

In FY2021, our Energy Engineering Division delivered a resilient revenue and PBT performance, in contrast to the general downturn in the global O&G sector which witnessed the first negative crude oil price in history and remained trapped in a recession for a sixth consecutive year. This division's achievements were supported by successful business development activities conducted in previous years which resulted in the capture of a division record S\$304 million in contracts in FY2020, with the healthy level of order backlog carried forward to FY2021 supporting revenue conversion and providing a buffer against the effects of the COVID-19 pandemic.

Division revenue was 37% higher year-on-year at a record S\$198.4 million, primarily due to Boustead International Heaters ("BIH")'s strong revenue conversion from the healthy order backlog carried over from FY2020 and despite accounting for only nine months of revenue from the division's water business, Boustead Salcon Water Solutions, which was sold in December 2020.

Division PBT was 254% higher year-on-year at S\$28.0 million, again primarily due to BIH's strong revenue conversion. However, business development activities suffered, with just S\$52 million in contracts secured in FY2021. The sharp drop was due to significantly lower active enquiries and delays in clients reaching the final investment decision ("FID") stage during the pandemic due to crude oil price volatility, distorted demand and supply patterns, and restricted global travel. The combination of these factors impacted the amount of orders placed and subsequently, also impacted the division's potential to secure new contracts.



1. Multiple WHRUs (left foreground) at LNG plant, Europe.
2. 3D WHRU model.

Boustead International Heaters

Our Energy Engineering Division's largest business brand and principal business unit catering to the downstream O&G sector is BIH, a leading global specialist with a technology portfolio including direct-fired process heater systems, waste heat recovery units ("WHRUs"), heat recovery steam generators and associated equipment for the global O&G, petrochemical and energy industries. BIH's waste heat recovery offerings enable significantly increased energy efficiency and lower carbon footprints by capturing and utilising thermal energy that is otherwise wasted.

With the pandemic raging throughout FY2021, BIH's key priorities were executing business continuity activities, focused on safeguarding the wellbeing, health and safety of the team and stakeholders, while navigating the challenges posed by Brexit. BIH seamlessly implemented detailed disaster recovery plans including providing all necessary

technology to the team, enabling them to effectively work remotely during the various lockdowns in the UK, Malaysia and Singapore. Offices were deep cleaned and reconfigured to facilitate adequate social distancing and COVID-secure environments as team members returned to the offices. BIH was also able to effectively operate throughout the Brexit transition, limiting the effect of the UK's departure from the EU on international operations.

During FY2021, BIH experienced a reduced level of enquiries reaching the FID stage, with clients' hesitance to push ahead with investments in the face of uncertainties posed by the pandemic. As such, BIH secured fewer contracts and of smaller value, reminiscent of the challenging industry conditions that persisted in FY2017. In terms of contracts secured, 90% of the new contracts came from projects in Latin America and Asia, a noticeable shift away from the traditionally strong geographic markets of Europe and North America in the past few years.

Energy Engineering

Among the contracts BIH secured, a few are particularly noteworthy of mention. BIH was successful in winning an order for the design, engineering and supply of once through steam generators (“OTSGs”) – a less common product type which was determined as the most appropriate solution for a complex and technically challenging application utilising a design co-developed together with the turbine vendor and end-user client. The four OTSGs will be installed on a Floating Production Storage & Offloading (“FPSO”) vessel to be deployed at an offshore energy development in Latin America.

In other significant contract wins, BIH was able to secure a contract from a new client, an FPSO vessel owner and operator with whom BIH has been building relationships and technical credibility with for several years. As is common for BIH, a contract was received from a major global engineering, procurement & construction (“EPC”) corporation who BIH had supplied to many times in the past. This client had not placed orders outside of their in-house capabilities for some years, so it was positive that they looked to BIH as a first port of call when wanting to outsource such equipment. The client’s positive past experience of working with BIH, the stability and commonality of the workforce and industry wide reputation were clearly factors in the client’s decision making process. Notably, all contracts secured during FY2021 were for the delivery of WHRUs and OTSGs for FPSO vessels and petrochemical plants, given the lack of FIDs for energy developments involving refineries.

FY2021 saw BIH progress on multiple sizeable projects for global EPC corporations and directly with end-user clients – the supermajors, majors and national O&G corporations. In line with the healthy order backlog carried over from FY2020, BIH’s revenue mix was dominated by greenfield projects, which contributed 90% of revenue. In terms of types of plants, LNG and gas processing plant projects contributed 40% of revenue, while refineries, petrochemical plants and upstream facilities contributed in similar proportions to the remaining 60% of revenue.

Geographically, Europe and North America remained the most important revenue contributors for BIH, collectively contributing to over 80% of revenue in FY2021.

In Europe, BIH progressed on schedule with their largest project to date – secured in FY2020 with a value in the region of S\$100 million – involving the design, engineering and supply of advanced WHRUs for a major energy infrastructure development. The project showcases BIH’s strong credentials in applying advanced technology for waste heat recovery to the global O&G sector in extreme operating conditions and solidifies BIH’s position as a technology solutions provider of choice. BIH is playing their part in helping the global O&G sector increase efficiency and reduce environmental impacts to address climate change and meet increasingly stringent government regulations.

Back home in the UK, BIH was also on track to deliver an extremely large process heater system to the UK’s second largest refinery. The solution addresses not only current complex challenges defined by the client but also considers the potential for the process heater system to use greener fuels in future with all of the associated safety systems and efficiency requirements. The scope of supply consists of fully dressing the process heater system as one module which will be shipped to the nearby port and rolled onto the foundations using self-propelled modular transporters during a shutdown window in 2022.

In North America, BIH continued to execute several projects, many located in Texas, the industrial engine of the US. The US projects involve the design, engineering and supply of numerous types of sophisticated process heater systems – including UOP Oleflex heaters as part of a propane dehydrogenation (“PDH”) plant – for refineries and petrochemical plants. This is the second order for a PDH unit in 12 months for the same end-user client but supplied via a new EPC corporation. It builds upon BIH’s consistent success in North America and their global reputation for delivering bespoke units tailored to each client’s specific requirements.

BIH is proud of their expanding share of the US market for complex thermal process solutions, which BIH is securing against competitive proposals from domestic players. Further north, BIH are supplying WHRUs to Canada’s largest LNG development, which is incidentally BIH’s largest project for WHRUs in the country to date. Completion of this project will enable Canada to maximise the potential to trade this greener natural resource when compared to crude oil, as access to the Asian market will open up once the export terminals come onstream. This is the first of two trains planned in the region with orders for the follow-on project expected to be placed in the next year.

Shortly after the close of FY2021, BIH was able to secure several contracts to design, engineer and supply process heater systems and WHRUs for an LNG plant and LNG import terminal. The majority of BIH’s products have been used on LNG export terminal applications, so the addition of another unit applied to import activities further promotes BIH’s ability to support with world-class end-to-end customised solutions across the growing number of LNG supply chains.

Moving forward in FY2022, with the dampened global O&G outlook caused by the pandemic, business development activities are likely to continue to be affected until there is effective protection provided by COVID-19 vaccinations – allowing for the normalisation of economic activities and global travel – whereby clients have long-term visibility to reach the FID stage. In light of the current outlook, BIH will not be able to repeat their strong performance from FY2021 in the coming year. In the interim, BIH is supported by a strong market position, advanced technical expertise and financial strength, which positions BIH to continue targeting various growth opportunities and advancing on diversification initiatives. In the longer term, BIH is actively reviewing diversification initiatives to innovate engineered solutions that combine BIH’s proven technology portfolio with other best-in-class technologies to deliver customised green solutions that address climate change. BIH continues to demonstrate flexibility to pursue opportunities globally.

Boustead Controls & Electrics

Our Energy Engineering Division's business brand and principal unit catering to the upstream O&G sector is Boustead Controls & Electrics ("BC&E"), a well-recognised leading regional specialist with a technology portfolio including wellhead control panels, hydraulic power units ("HPUs"), integrated control & safety shutdown systems and chemical injection skids.

In light of the pandemic, BC&E's key priorities were in executing business continuity activities, primarily safeguarding the wellbeing, health and safety of the team and stakeholders, while expanding international operations in the Middle East. BC&E was able to quickly execute business continuity activities including providing all necessary technology to the team to conduct secure remote working arrangements during lockdowns in Singapore, India and the UAE, and disinfecting and reconfiguring manufacturing and assembly operations to accommodate safe distancing and safe management measures. BC&E also pushed steadily ahead with international operations, with the new full-fledged operations in the UAE reaching optimal levels, while the setups in Saudi Arabia and Oman

progressed to more advanced stages. These setups in the Middle East will be critical for BC&E to effectively compete in geographic markets where there are stringent local content requirements.

During FY2021, BC&E observed extremely weak conditions in the upstream O&G sector, with a major slowdown in enquiries and reduction in opportunities in traditional key markets including India and Saudi Arabia, as well as significantly increased competition.

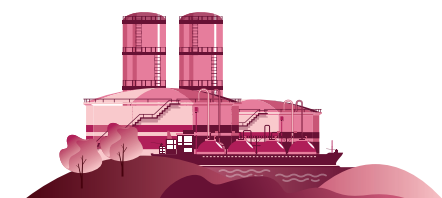
Pressing ahead with the new full-fledged operations in Abu Dhabi, BC&E continued to capture opportunities that were previously inaccessible in Abu Dhabi and also managed to use the new base as a springboard to secure contracts in neighbouring Bahrain and Qatar. Almost 80% of all contracts secured came from the Middle East. Also worthy of mention, BC&E secured contracts from five new clients in FY2021 and hopes that these new relationships will lead to repeat contracts in the future.

Geographically, the Middle East was also the greatest contributor to most of BC&E's revenue in FY2021. Several large projects were ongoing for

entities under repeat client, ADNOC, to design, engineer and supply numerous wellhead control systems. BC&E also progressed on the largest contract secured in FY2020 for the delivery of wellhead control systems and HPUs to Qatar Gas' North Field.

In the traditional geographic market of India, BC&E completed several smaller projects for repeat client, ONGC, but witnessed very slow activities outside of these projects. Elsewhere, BC&E also delivered projects in Africa, Europe and Latin America.

Moving forward in FY2022, with the dampened global O&G outlook, BC&E expects continuing curtailment on capital expenditures and challenges in clients reaching the FID stage. While BC&E foresees challenges in FY2022 in view of the pandemic, global landscape and stiffer competition, their strength in traditional markets and continued enhancement of local manufacturing capabilities and efficiencies should serve them well in sharpening competitive edges in the Middle East, particularly in the UAE, Bahrain, Oman, Qatar and Saudi Arabia. In addition, BC&E will continue exploring further localisation of manufacturing operations in other strategic markets in the Middle East.



FY2021 Business Highlights

Apr – Jun 2020

Middle East, Latin America

Awarded S\$31 million in contracts for WHRUs and process control systems

Jul – Sep 2020

Middle East

Awarded S\$1 million in contracts for process control systems

Oct – Dec 2020

Africa, Europe, Latin America, Middle East

Awarded S\$6 million in contracts for WHRUs and process control systems

Jan – Mar 2021

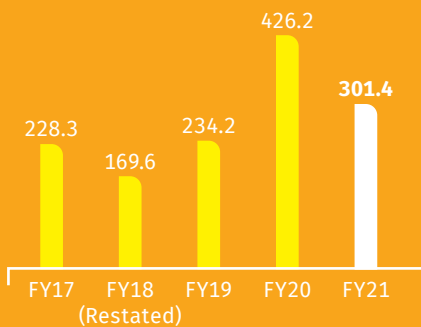
Africa, Asia Pacific, Middle East

Awarded S\$14 million in contracts for WHRUs and process control systems

Real Estate

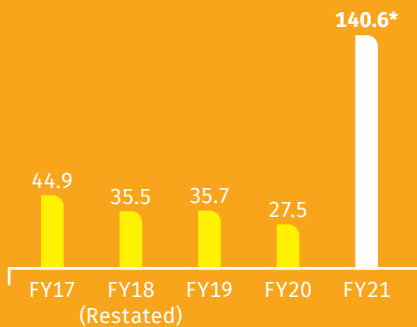
Performance Highlights

Division Revenue

S\$301.4 millionYear-on-year: ▲ 29%

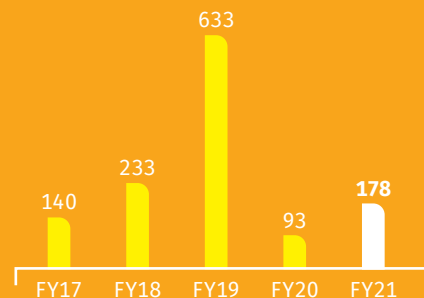
► Revenue was impacted by the COVID-19 pandemic, resulting in prolonged project closures, lower productivity and shortage of foreign labour resources.

Division Profit before Income Tax ("PBT")

S\$140.6 million*Year-on-year: ▲ 412%

► Record PBT was due to Boustead Industrial Fund ("BIF")'s value-unlocking transaction one-off gain of S\$134.8 million ("BIF Value Unlocking Gain") but impacted by unprecedented pandemic-related costs, higher project execution costs and lower quantum of cost savings.

Division Contracts Secured

S\$178 millionYear-on-year: ▲ 91%

► Higher contracts secured were due to geographic market expansion.

* Includes BIF Value Unlocking Gain.

About

Our Real Estate Division's key business brand under Boustead Projects Limited ("Boustead Projects") – a 53%-owned subsidiary which is separately listed on the SGX Mainboard – is a leading provider of innovative real estate solutions with a regional presence. Boustead Projects' core businesses are uniquely integrated to support the business park and industrial real estate ecosystem, comprising turnkey engineering & construction ("E&C") and real estate development, asset management and fund management.

Market Sectors

HIGH VALUE-ADDED SECTORS

- Aerospace and automotive
- Agribusiness
- Business park and commercial
- Engineering
- Food & beverage
- Healthcare & pharmaceutical
- High-tech manufacturing
- Infocommunications
- Lifestyle
- Logistics
- Mining, marine, oil & gas, petrochemicals and power
- Packaging
- Precision engineering
- Renewable energy
- Research & development ("R&D")
- Semiconductor
- Technology
- Urban planning
- Waste management

Geographic Markets

4 COUNTRIES

- China
- Malaysia
- Singapore
- Vietnam





Perspective for Fortune 500 healthcare corporation's office building, Singapore.

Real Estate



Market Review

The market was focused on:

- Challenging market conditions due to the COVID-19 pandemic;
- Prolonged closure of built environment sector projects; and
- Supply chain disruptions.

Key Highlights

Our Real Estate Division achieved:

- Record division profit on the successful launch of BIF;
- Significant value unlocking for shareholders; and
- Notwithstanding the impact on division revenue and elevated pandemic-related costs.

Boustead Projects is the leading provider of innovative real estate solutions in Singapore, focused on the E&C, development and management of custom-built, smart, eco-sustainable and future-ready business park and industrial developments. Boustead Projects' in-house capabilities are backed by core engineering expertise, the progressive adoption of transformative methodologies including full-fledged integrated digital delivery ("IDD") and Industry 4.0 technologies and augmented by strategic partnerships. To date, Boustead Projects has constructed and developed more than 3,000,000 square metres of real estate.

Boustead Projects' wholly-owned E&C subsidiary in Singapore, Boustead Projects E&C ("BP E&C") is the eco-sustainability leader in pioneering Green Mark Platinum-rated new private sector industrial developments under the Building & Construction Authority ("BCA") Green Mark Programme and a national champion of best practices for quality, environmental and workplace safety and health ("WSH") management. BP E&C's related achievements include being the quality leader on the BCA CONQUAS all-time top 100 industrial projects list, one of only eight bizSAFE Mentors and also bizSAFE Star, receiving numerous awards for exemplary WSH performance.

In FY2021, Boustead Projects continued to be the Group's top revenue contributor for the 14th successive year, despite witnessing lower revenue after navigating the most challenging year in their 25-year history, as the impact of the COVID-19 pandemic was deeply felt across all aspects of their E&C business segment.

Boustead Projects' revenue was 29% lower year-on-year at S\$301.4 million, heavily impacted by the pandemic and the Singapore Government's ensuing built environment sector advisories and measures including four months of closure of Singapore project sites, an enforced gradual ramp-up in construction activities, significantly lower productivity and a severe shortage of foreign labour resources.

Boustead Projects' PBT was 412% higher year-on-year at S\$140.6 million, a new division record, due to the BIF Value Unlocking Gain recorded following their sale of interests in 14 leasehold properties to BIF – full disposal of 11 properties and partial disposal of equity interests in a subsidiary and two joint ventures – selected from their portfolio of 25 leasehold properties.

Boustead Projects' contracts secured was 91% higher year-on-year at S\$178 million, marking a partial recovery from the multi-year low in FY2020, aided by the securing of more contracts from overseas markets due



1. Perspective for Fortune 500 technology corporation's advanced integrated high-tech manufacturing and office facility, Malaysia.
2. Office fit-out for Fortune 500 healthcare corporation's shared office, Singapore.

to their deliberate strategy to focus on geographic market expansion in previous years. In particular, sizeable projects were captured in China and Malaysia including Boustead Projects' largest contract secured in FY2021 for the design-and-build of an advanced integrated high-tech manufacturing and office facility for a Fortune 500 technology corporation in Penang, Malaysia. Projects were also captured in high value-added sectors including the healthcare & pharmaceutical, semiconductor and technology sectors, where Boustead Projects continued to strengthen track records.

E&C Business

Following the reopening of Singapore project sites close to midway through FY2021, Boustead Projects commenced an enforced gradual ramp-up in construction activities and attempted to make up for lost ground on several projects including their two largest projects for JTC Kranji Green and Surbana Jurong Campus. In FY2021, projects ran across a number of sectors including the aerospace, agribusiness,

healthcare & pharmaceutical, logistics, urban planning and waste management sectors.

Boustead Projects' largest project on record and largest government project, JTC Kranji Green – located in the Sungei-Kadut Eco-District in Singapore – is now expected to complete in the latter part of FY2022, after factoring in pandemic-related delays. The project is earmarked to be awarded the BCA Green Mark Platinum rating and will be Singapore's first multi-storey recycling facility to house recyclers handling waste streams like metals, paper and plastics. The project will support the growth of environmental technologies and contribute towards Singapore's zero waste commitments, facilitating the recycling of industrial wastes and by-products, as well as supporting industry transformation. With the ongoing construction of JTC Kranji Green, Boustead Projects was able to implement a number of transformative technologies and methodologies that can be applied towards other projects in the future.

Real Estate

Chief among these has been the opportunity to execute full-fledged IDD, virtual design and construction, and design for manufacturing and assembly, and pilot technology partnerships to accomplish 7D building information modelling (“BIM”) on an extremely large-scale industrial development.

Boustead Projects’ largest private sector project on record, Surbana Jurong Campus – located in the Jurong Innovation District in Singapore – is now expected to complete in early FY2023, after factoring in pandemic-related delays. The project is Singapore’s first large-scale business park and industrial development to be awarded the BCA Green Mark Platinum – Super Low Energy rating. This sprawling campus is set to become Surbana Jurong’s global headquarters.

Among projects completed in FY2021, Boustead Projects delivered ASM Front-End Manufacturing’s advanced integrated high-tech manufacturing facility incorporating Class 10 cleanrooms. The project was also awarded the BCA Green

Mark Gold Plus rating and a Safety & Health Award Recognition for Projects (SHARP) for maintaining an excellent health and safety record. With the completion of the project, Boustead Projects has further strengthened their track record as the leading builder of choice in the technology sector, specifically for the semiconductor industry.

By the end of FY2021, Boustead Projects was also able to secure temporary occupation permits (“TOPs”) for joint development projects – 351 on Braddell and Bombardier Singapore Service Centre Phase 2 – while another joint development project, Razer SEA HQ received its TOP just after the end of FY2021.

While Singapore projects faced pandemic-related delays, specified extensions of time were also received under the COVID-19 (Temporary Measures) Act 2020. Overseas, the situation was much better for projects in China and Malaysia. Sizeable projects in these two overseas markets – including Boustead Projects’

largest project secured in FY2021 for an advanced integrated high-tech manufacturing and office facility in Penang, Malaysia – progressed on schedule, facing only minor disruptions. Worthy of mention, the Penang project allowed Boustead Projects to showcase their IDD approach and a range of transformative technologies for the first time in an overseas project, helping to distinguish their position from the local competitors in overseas markets.

Technology continued to play a key role in mitigating risks associated with the pandemic, allowing for highly collaborative activities including IDD, design, value engineering and construction to be conducted in a productive and safe manner. During FY2021, Boustead Projects’ IDD team continued to push forward with transformative technologies implementation, scaling new heights with digitalisation and strengthening value propositions in 7D BIM by utilising 3D scanning, artificial intelligence (“AI”) and machine learning, augmented reality (“AR”) and virtual reality (“VR”), data analytics and drone technology.

1. Razer SEA HQ, one-north, Singapore.
2. 351 on Braddell, Singapore.



Through use cases ongoing in at least three projects, 7D BIM was demonstrated to show the following real benefits:

- Digital progress documentation reduced the risk of late claims and disputes;
- Clients and senior leadership could conduct virtual project site visits and review ongoing construction activities without having to physically visit project sites, saving the need for additional logistics, swab testing, time and travelling, and keeping them well, healthy and safe;
- Project management progress updates could be remotely conducted offsite and still allow for key issues to be identified and rectified, while potential miscommunications were significantly reduced; and
- Environmental, health and safety (“EHS”) 360-degree virtual reports delivered remote visualisation capabilities, allowing for timely EHS interventions.

Boustead Projects’ team and stakeholders were able to tap on

a combination of AR and VR and Cloud-based sharing platforms to review virtual 7D BIM models simultaneously, without the need for stakeholders to be present in the same room. Overall, virtual project site visits saved about 500 man-hours per month per project in potential miscommunications and significantly reduced the risks to stakeholders’ wellbeing, health and safety, while lowering the potential for government enforced lockdowns of specific project sites due to infected stakeholders entering.

Technologies were also implemented to enhance onsite safe management measures – among the world’s strictest measures – at project sites. In a partnership with TraceSafe under the Open Innovation Platform, Boustead Projects outfitted the team and subcontractors’ employees at one project site with TraceSafe’s wearable safety devices. Attached to helmets, these devices can withstand the rugged conditions of the built environment sector and are able to provide real-time contact tracing,

safe distancing and geo-fencing capabilities onsite. These devices send signals to individual workers when they breach safe boundaries of separated work zones or are too close to one another, making everybody onsite safer. With the successful implementation at the first project site, TraceSafe is now in the process of being rolled out across all project sites.

Given that the margins for projects secured pre-pandemic do not take into consideration subsequent elevated costs, the E&C business segment’s performance will continue to be affected in FY2022, as Boustead Projects completes the last of such projects. Despite the pandemic, Boustead Projects secured about S\$178 million in contracts during FY2021 that are contractually more risk-mitigated and protected against pandemic-related disruptions, which will help them even if the pandemic persists. Nonetheless, lower onsite productivity and foreign labour shortages are expected to remain in the foreseeable future.



Real Estate

Real Estate Business

The highlight of FY2021 was the successful launch of BIF, Boustead Projects' maiden full-fledged real estate trust. Strategically, BIF has transformed Boustead Projects' business model and integrated platform that unites all parts of the industrial real estate value chain – from value-added capabilities spanning turnkey E&C to real estate development management, asset management and fund management services. This significantly enhances Boustead Projects' offerings to clients and adds greater flexibility to structuring of potential development opportunities.

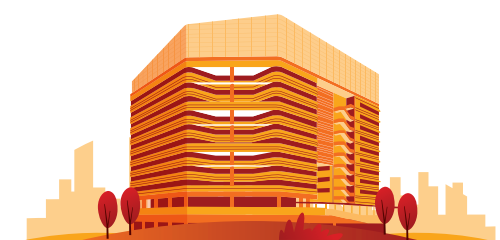
Boustead Projects continues to hold 100% shareholding of BIF's manager and 25% unitholding of BIF, which will allow Boustead Projects to benefit from the expansion and growth of BIF in the future. Holding the manager role, Boustead Projects' real estate business segment will be entitled to management fees and property management fees, similar to what listed REIT managers would receive for managing listed REITs.

Even as the bulk of Boustead Projects' wholly-owned leasehold properties has now been sold into BIF, Boustead Projects still retains a pipeline of leasehold properties – mainly under joint ventures – with over S\$700 million in expected market valuation. Once assets in Singapore are stabilised, they will potentially be ready for injection into BIF. Boustead Projects expects properties to be progressively injected into BIF at a steady pace, with their remaining eligible leasehold properties enlarging BIF over several years.

While no new development contracts were signed in FY2021, Boustead Projects focused on pushing current projects under development or additions & alterations ("A&A") into operational status, signing new lease agreements and improving the occupancy rates and weighted average lease expiry ("WALE") on completed leasehold properties. These projects include 351 on Braddell, Bombardier Singapore Service Centre Phase 2 and Razer SEA HQ, with the first two projects

securing their TOPs during FY2021 and the last project receiving its TOP just after the end of FY2021. In addition, an A&A project was completed for the Boustead Development Partnership ("BDP")'s 6 Tampines Industrial Avenue 5, which effectively converted the previously single-tenanted high-specification and advanced technology facility into a multi-tenanted advanced technology facility.

A number of sizeable leases were secured both for completed leasehold properties and those still under development. New leases totalled over 53,700 square metres of net lettable area – with the likes of Zuellig Pharma, NETS, Shopee, JustCo and a Fortune 500 technology corporation – over the course of FY2021. 351 on Braddell and Razer SEA HQ also achieved at least two-thirds committed occupancy prior to securing their TOPs. The BDP's 6 Tampines Industrial Avenue 5 also saw its committed occupancy rate significantly improve with the existing anchor tenant taking up additional space. Rental reversions on completed



FY2021 Business Highlights

Apr 2020

China

Awarded A&A project for Fortune 500 healthcare corporation's integrated manufacturing and office facility

May 2020

Malaysia

Awarded design-and-build project for Fortune 500 technology corporation's advanced integrated high-tech manufacturing and office facility

Nov 2020

Singapore

Completed design-and-build project for ASM Front-End Manufacturing's advanced integrated high-tech manufacturing facility

Nov 2020

Vietnam

Echo Base-BP Capital (Vietnam) Pte Ltd joint venture completed acquisition of 49% shareholding in BKIM

leasehold properties also held steady during FY2021.

Although leasing efforts progressed in many areas, the BDP's ALICE@Mediapolis ("ALICE") – a smart business park development that was awarded the BCA Green Mark Platinum rating and caters to the infocommunications, media and technology sectors – witnessed only a minor improvement in its occupancy rate. Most of the building's remaining vacancy is allocated as Venture Suite space mandatorily set aside for small and medium-sized enterprises and JTC Corporation ("JTC")'s LaunchPad graduates, a group of clients that has been heavily impacted by the pandemic. In FY2021, the BDP secured a S\$130 million green loan under the UOB Real Estate Sustainable Finance Framework to refinance ALICE, representing Boustead Projects' first green loan and endorsing ALICE's green credentials.

In Vietnam, Boustead Projects remained active. Boustead Industrial Park Phase 1 contributed a full-year of rental revenue on full occupancy, with the

anchor tenant recently exercising an option to extend their lease period. Separately, Boustead Projects entered into a partnership with Khai Toan Joint Stock Company ("KTG"), a leading conglomerate in electrical appliances, building materials and industrial real estate in Vietnam. The initial stage of this partnership saw Boustead Projects' joint venture, Echo Base-BP Capital (Vietnam) Pte Ltd complete the acquisition of a 49% shareholding in Boustead & KTG Industrial Management Co Ltd ("BKIM") – a management company for industrial leasehold properties – in November 2020. After the end of FY2021, Boustead Projects also signed an option agreement with KTG for the proposed acquisition of a 49% shareholding in KTG & Boustead Industrial Logistics Fund ("KBILF"), envisaged to be a leading logistics and industrial real estate development fund, which will develop and own logistics and industrial parks in strategic locations in Vietnam. Should the transaction be completed as planned, seed assets co-sponsored by KTG and Boustead Projects will be acquired and transferred to KBILF

and amount to about US\$141 million in gross asset value covering about 840,000 square metres of land area and about 550,000 square metres of gross leasable area. Our contribution of seed assets would include Boustead Industrial Park Phases 1, 2A and 2B.

At the end of FY2021, outside of BIF, Boustead Projects' completed wholly-owned properties had a total market valuation of over S\$80 million, comprising over 69,000 square metres in gross floor area ("GFA"), with an overall occupancy rate of 100% and WALE of over two years. Boustead Projects' completed jointly-owned properties had a total market valuation of over S\$469 million, comprising over 135,000 square metres in GFA, with an overall occupancy rate of 86%* and WALE of over six years*.

At the end of FY2021, BIF properties had a total market valuation of over S\$559 million**, comprising over 170,000 square metres in GFA, with an overall occupancy rate of 99% and WALE of over seven years.

Dec 2020

Singapore

Awarded A&A project for Fortune 500 technology corporation's integrated manufacturing and office facility

Feb 2021

Singapore

Awarded design-and-build project for multi-user semiconductor facility

Mar 2021

Singapore

Awarded design-and-build project for Fortune 500 healthcare corporation's office building

Mar 2021

Singapore

Completed BIF transactions, resulting in BIF Value Unlocking Gain of S\$134.8 million

* Excludes 351 on Braddell where leasing is still in progress.

** Assumes 100% interest in all 14 properties.

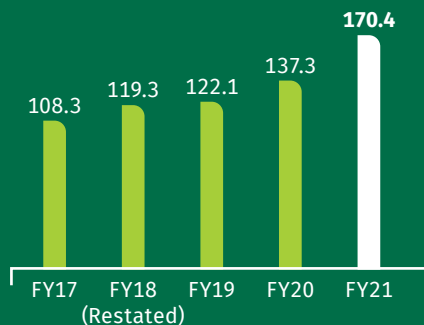
Geospatial

Performance Highlights

Division Revenue

S\$170.4 million

Year-on-year: ▲ 24%

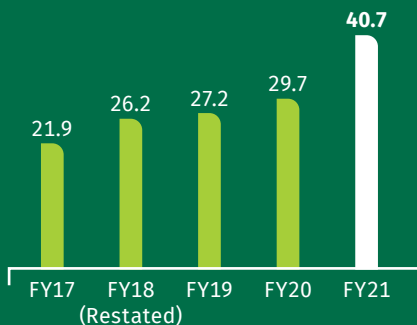


➤ Record revenue and a fifth successive year of revenue growth was supported by new enterprise agreements and firm demand for GIS technology.

Division Profit before Income Tax ("PBT")

S\$40.7 million

Year-on-year: ▲ 37%

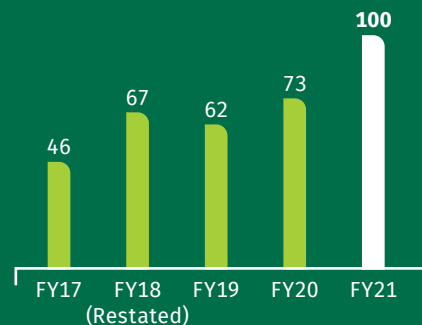


➤ Record PBT and a fifth successive year of PBT growth was supported by revenue conversion.

Division Year-End Deferred Services Backlog

S\$100 million

Year-on-year: ▲ 37%



➤ Record year-end deferred services backlog was due to growth in multiple recurring income streams.

About

Our Geospatial Division's key brands – Esri Australia, Esri Singapore, Esri Malaysia and Esri Indonesia – provide professional services and exclusively distribute Esri ArcGIS technology, the world's leading geographic information system ("GIS"), smart mapping and location analytics platform to major markets in the Asia Pacific. The software creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems through effective and sustainable improvement of human wellbeing and ecosystems, and planning and management of key infrastructure and resources.

Market Sectors

ALL SECTORS

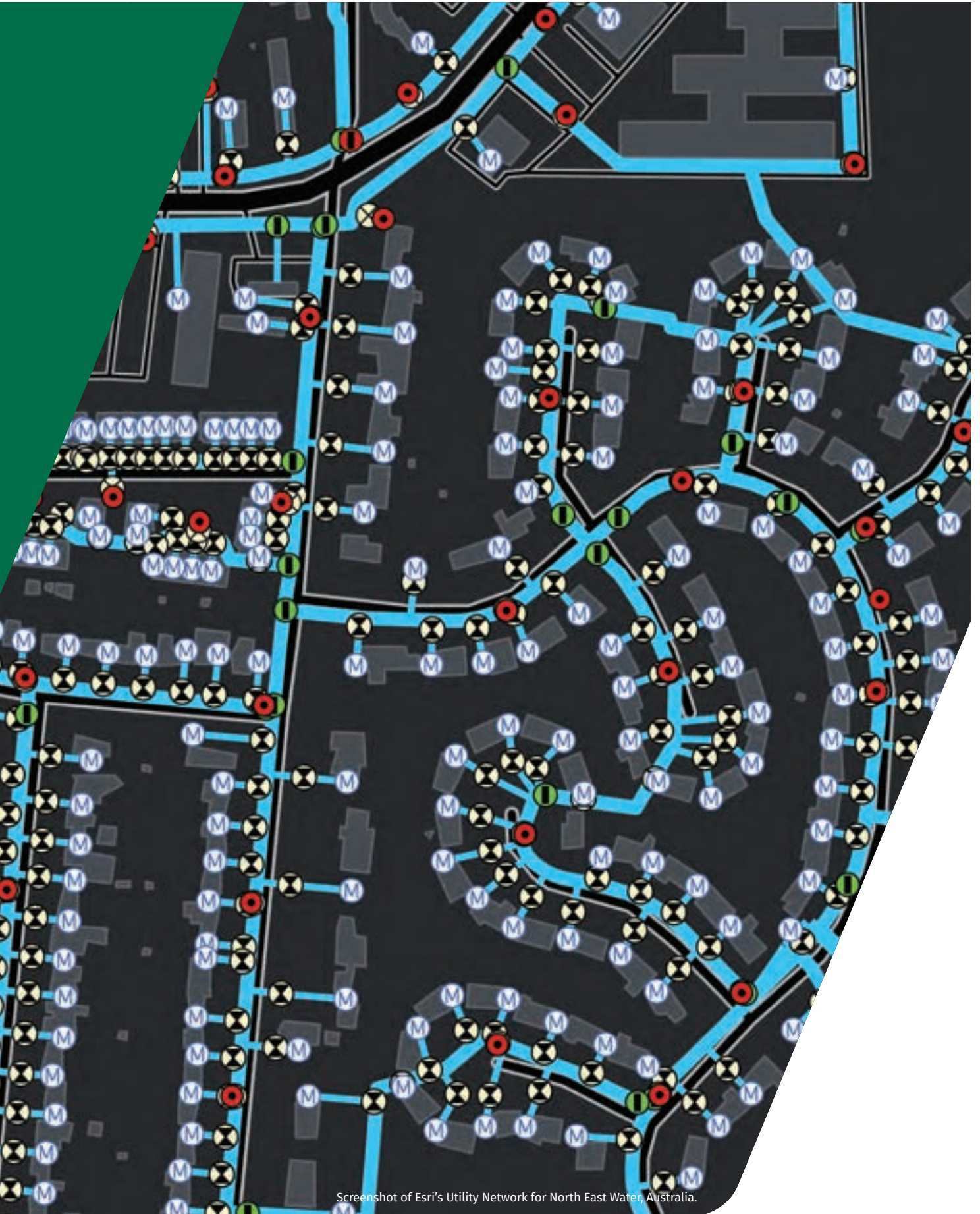
- Agribusiness
- Architecture, engineering and construction ("AEC")
- Banking
- Defence and intelligence
- Education
- Emergency services
- Energy, oil & gas ("O&G") and renewables
- Environmental management
- Government
- Health and human services
- Infrastructure
- Insurance
- Law enforcement
- Maritime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

Geographic Markets

8 COUNTRIES AND TERRITORIES

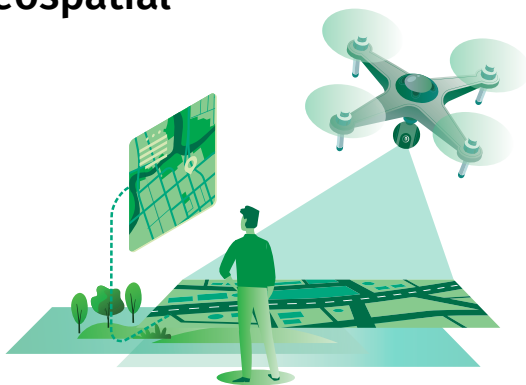
- Australia
- Bangladesh
- Brunei
- Indonesia
- Malaysia
- Papua New Guinea
- Singapore
- Timor-Leste





Screenshot of Esri's Utility Network for North East Water, Australia.

Geospatial



Market Review

The market was focused on:

- Crisis management due to the COVID-19 pandemic;
- Business continuity activities; and
- Digital transformation.

Key Highlights

Our Geospatial Division achieved:

- Record division revenue;
- Record division profit; and
- The delivery of critical digital transformation and technology support to the private and public sectors.

Ranked among the top exclusive distributors in Esri Inc's global network with a client base numbering over 13,000 organisations regionally, our Geospatial Division is widely acknowledged to be the Asia Pacific's foremost authority on GIS technology.

In FY2021, the division secured a record number of enterprise agreements ("EAs") and witnessed strong demand for GIS technology and smart mapping capabilities across the region, underpinning new division records for revenue, PBT and year-end deferred services backlog, and extending revenue and PBT growth to a fifth successive year, despite the COVID-19 pandemic.

Division revenue was 24% higher year-on-year at S\$170.4 million, with growth driven by stronger revenue performances in Australia, Malaysia and Indonesia. The division's long-term partnerships and delivery of critical GIS technology for crisis and disaster response, business continuity, operations and recovery, proved to be invaluable to both the government and private sectors in navigating the complex environment in the wake of the pandemic. Thanks to the division's ability to deploy Esri ArcGIS technology via diverse delivery models, from on-premise to remote Cloud-based solutions based on Software as a Service ("SaaS") and Platform as a Service ("PaaS") models, client engagements remained strong throughout FY2021, even though face-to-face interactions and travelling were limited. In particular, the division's SaaS and PaaS models allowed clients to accelerate essential digital transformations using Esri ArcGIS technology to quickly pivot to remote working arrangements.

Division PBT was 37% higher year-on-year at S\$40.7 million, in line with higher division revenue and supported by broad-based PBT growth registered in Australia, Singapore, Malaysia and Indonesia.

Division year-end deferred services backlog was 37% higher year-on-year, touching S\$100 million for the first time in the division's history. This was due to strategic efforts over past years to build multiple recurring income streams such as EAs and after-sales maintenance agreements, helping safeguard the division against broader economic contractions seen across most sectors during the pandemic.

In FY2021, the division gained stronger footholds in key markets in both the government and private sectors. Globally, the continued impact of the pandemic fuelled demand for GIS technology in the government and healthcare sectors to assess, monitor and manage the impact of the pandemic. In every major market, the division established



1. COVID-19 dashboard briefing to media, Malaysia.
2. Mobile GIS deployment by Beach Energy, Australia.

'COVID-19 Hubs', serving ready-to-deploy smart mapping solutions, real-time dashboards and data tools that were adopted at the highest levels of government and business, steering responses to outbreaks and ongoing recovery. Demand for crisis and disaster management solutions also increased under Esri's Disaster Response Program – where organisations are granted complimentary short-term access to Esri ArcGIS software licences – which received 325 requests across the region, with the majority coming from Australia and Indonesia.

Esri Australia

Outdoing their revenue record from the previous year, Esri Australia continued to deliver a stellar performance in FY2021, generating revenue growth of 26% year-on-year. Software revenue almost doubled, with 40 EAs signed including an A\$30 million agreement with an Australian federal government agency, marking the division's largest single contract in history. Substantial growth was also due to the widespread

use of Esri ArcGIS technology in dealing with crises and disasters – including the Australian bushfires and pandemic – and demonstrated the resilience of Esri Australia's business model during uncertain times.

Throughout FY2021, as the pandemic evolved, Esri Australia partnered with federal, state and local governments across the country to analyse data, track the spread of the disease and map a road to recovery. A number of the solutions developed on the Esri ArcGIS technology stack – including hubs and dashboards – became critical tools to guide government response and keep the community informed. For example, the Department of Health launched a COVID-19 Resources Hub, which uses Esri ArcGIS technology to share authoritative information on Commonwealth Respiratory Clinics and national COVID-19 Assessment Centres. Also included were the locations of aged care services, general practitioners, intensive care specialists, pathologists, private and public hospitals, and respiratory medicine specialists.

Geospatial

From a broader government perspective, GIS technology was also widely drawn on to share authoritative data and help coordinate responses across states and organisations. Western Australian Department of Health – which covers the world's largest area for a single health authority – delivered a popular COVID-19 dashboard, which shared key data including active cases by local government area, sources of infection, demographics data and COVID-19 clinic locations, with the application receiving an average of 9,000 hits a day and exceeding one million views within months of release. The Australian Bureau of Statistics released a series of maps including an interactive visualisation of Australia's at-risk populations – leveraging data from national surveys, as well as the last census – to provide healthcare decision-makers and state policymakers with insights into the unfolding crisis.

FY2021 also saw millions of Australians required to work remotely for most of the year, which forced many organisations to rapidly shift to Cloud-based technology infrastructure. Enterprises with traditional on-premise or desktop-based GIS technology deployments undertook accelerated programmes of digital transformation to take advantage of both Esri ArcGIS Online and Esri Australia's locally-developed Managed Cloud Services. As a result, Managed Cloud Services transitioned from launch phase to growth phase in FY2021, with revenue growth of 59% year-on-year and accounting for 8% of Esri Australia's revenue to become a material part of the business. Examples of successful accelerated digital transformations include Esri Australia's projects with North East Water and APA Group.

North East Water – a Victorian water utility – was challenged with ageing technology infrastructure and lack of integration, so they undertook an ambitious programme to rapidly transform their operations. The organisation became the first in the region to adopt Esri's Utility Network to develop a fully digitised representation of their water network that is fast and scalable, with far-reaching benefits across the business. Field crews could instantly run a trace analysis in the aftermath of a pipe burst or leak, minimising outage time, preserving water and saving costs. The unified platform created 306,000 synchronous

assets, representing a significant upgrade in data governance and quality.

APA – a world-leading energy infrastructure business – manages approximately A\$22 billion of Australia's energy assets including over 15,425 kilometres ("km") of natural gas transmission pipelines, 243 km of high voltage electricity transmission lines, 418 megawatts ("MW") of gas-fired power generation and a renewable energy portfolio consisting of 149 MW of solar power and 342 MW of wind power. Throughout the pandemic lockdown, APA's transmission team looked to Esri ArcGIS technology to fuel an enterprise-wide digital transformation. As employees transitioned to remote work, the widespread geographical nature of APA's assets posed additional operational, maintenance and safety challenges. An Esri-powered GeoHub, a whole-of-organisation GIS platform created instant access to data and insights and for the first time, provided a consistent Cloud-based approach. Within a year, over 1,000 employees had adopted GeoHub, improving collaboration and transparency for all business groups managing APA's transmission infrastructure, whether in the office, field, online or offline.

From an operational perspective, the remote working environment of FY2021 also provided an opportunity for Esri Australia to refine their sales delivery model. Working remotely provided the opportunity to establish a borderless sales function where service could be provided based on expertise, rather than geography. This maturation of the restructured sales function will be fully executed in FY2022, with national sector-based practices to be established to service the 'Big 4' sectors of national security, utilities, local government and natural resources including mining and O&G.

Other Esri Australia businesses also had a productive year. Professional Services experienced revenue growth of 14% year-on-year. Notably, over 50% of Professional Services revenue came from Esri Australia's top 10 clients, which reflects a deepening of client relationships and an increasing preference for end-to-end engagements rather than the traditional buy, sell and maintain model. Meanwhile, the Client Success

Programme continued to evolve, making early and significant gains against a mandate of deepening and expanding client relationships through delivering value-added services. Finally, Esri Australia launched the User Experience for GIS (UXG) business in FY2021, a new service offering which provides clients with expertise on improving the user experience and effectiveness of GIS applications and smart maps, with projects successfully delivered for organisations across various sectors.

FY2021 saw growth across a broad range of sectors including government, healthcare, national security and utilities.

National security – including defence, emergency services and law enforcement – continues to be a major focus. In particular, the demand for GIS technology in responding to crises such as the pandemic, has generated new engagements at the federal and state levels and a significant uplift in opportunities from both the private and public healthcare sectors.

The Government of the Australian Capital Territory ("ACT") received an Esri Special Achievement in GIS Award for developing a revolutionary app that integrates building project information and standards to streamline and support the auditing and inspection of building works. The world-first solution automatically identifies active building projects and records, and reports detailed audit and inspection data against Australia's stringent building standards. Automation of this once-manual process delivers significant benefits including improved accuracy of reporting, enablement of more onsite audit time and greater visibility of risks to all project stakeholders.

Utilities – covering electricity, water and gas – also continued on an upward trajectory of growth, with the most notable project being for Energy Queensland ("EQ"), which is currently the largest GIS technology implementation in the world. EQ's UPortal went live in June 2020 with over 1,250 users. As a key enterprise system, UPortal serves data and insights for field workers and on-premise work across Queensland and is hosted by Esri Australia's Managed Cloud Services. Looking ahead to FY2022,

EQ is expecting to launch the next iteration – known as UGIS – which will be the largest electrical utilities project for Esri's Utility Network in the world.

Esri Australia also attained Esri ArcGIS Utility Network Management Specialty certification from Esri Inc in October 2020, becoming one of the first distributors globally to receive these credentials. Of the 36 Esri ArcGIS Utility Network-certified professionals globally, eight work for Esri Australia, positioning Esri Australia as a true centre of excellence for spatial expertise in the sector.

Local government continued to be a core market with Esri ArcGIS technology being used across all areas of council activities from planning and development through to asset management. The City of Parramatta used Esri ArcGIS technology to deliver a smart government project for Melrose Park – a 25-hectare brownfield site where the development of approximately 5,000 new residential dwellings is taking place – with construction occurring over one decade. The project uses technology to analyse and visualise local environmental data captured from approximately 70 environmental sensors installed throughout the construction site, monitoring conditions including air quality, humidity, noise, stormwater and temperature.

GIS technology is becoming the standard for capturing data on and managing environmental, social and governance ("ESG") programmes globally. For example, FY2021 saw an emerging interest in the market around the concept of 'carbon transformation', with organisations investing in technology to support programmes that reduce their environmental impacts and/or carbon footprints. Esri Australia partnered with the Clean Energy Regulator to undertake multiple proofs-of-concept to test how machine learning can streamline environmental compliance and GIS imagery assessment. GIS technology is also increasingly being used in both government and industry programmes to achieve net-zero targets and informing high priority projects such as carbon farming. Carbon farming is the process of changing agricultural practices or land use to increase the amount of

carbon stored in soil and vegetation, and reduce greenhouse gas emissions from livestock, soil or vegetation. From agriculture to human wellbeing and nature, Esri Australia's partnerships are improving ESG programme outcomes with organisations such as the Australian Institute of Health & Welfare, Indigenous Mapping Workshop Australia and Queensland Parks & Wildlife Service.

Esri Singapore

FY2021 saw Esri Singapore's foothold increase across a broad range of sectors including 'GeoBIM' – servicing the AEC sector. Service providers who previously used AutoCAD are now turning to GIS technology as they seek to understand how planned built infrastructure impacts surrounding communities and ecosystems. GeoBIM and built architecture is increasingly rendered in 2D, 3D and built environment modelling to be a value-add to both organisations and the broader communities, protecting and securing a sustainable future through informed planning, with optimally-located infrastructure providing enduring benefits for future

generations. As a major client, JTC Corporation continues to use GeoBIM to support the design and delivery of the upcoming Punggol Digital District ("PDD"), Singapore's first full-scale smart business district.

Spatial data infrastructure has also been deployed to strengthen the nation's climate change resilience, with the Maritime & Port Authority of Singapore officially launching GeoSpace-Sea, the first-ever comprehensive picture of Singapore's sea space. The solution will be accessible to participating government agencies to inform coastal spatial planning and maritime safety. In another marine application, the need for digital twins – both operational and thematic – continues with Jurong Port adopting Esri ArcGIS technology to enhance the reliability and safety of their operations, enabling employees to be informed when critical events and exceptions occur. The project showcases the role of both 2D and 3D digital twins and the need to equip port operators with fit-for-purpose solutions containing essential information for targeted decision-making.

1. Home Team Science & Technology Agency with award-winning Singapore Police Force enterprise GIS platform, Singapore.



Geospatial

With the ongoing pandemic, Esri Singapore continued to provide support to government agencies to deploy Esri-powered solutions that keep residents healthy and safe. The National Parks Board developed a real-time portal called Safe Distance @ Parks (safedistparks.nparks.gov.sg) to allow the public to view visitor numbers within over 350 major parks, gardens and natural areas, helping users to choose a less crowded green space near their homes where they can exercise safely and minimise travel. Meanwhile, the Urban Redevelopment Authority launched a real-time portal called Space Out (spaceout.gov.sg) to illustrate the density of pedestrian traffic in shopping malls, enabling shoppers to better comply with social distancing measures. Space Out was developed in collaboration with retail operators and Enterprise Singapore, which contributed shopper traffic data and safe distancing guidelines.

Esri Malaysia

Esri Malaysia enjoyed another strong performance in FY2021. With the pandemic continuing to elevate the profile of GIS technology in Malaysia, the Department of Survey & Mapping Malaysia ("JUPEM") won Esri Malaysia's GeoInnovation Award, recognising GIS solutions that work to solve the country's economic, business

and environmental challenges. Throughout the year, Esri Malaysia partnered with national, state and municipal authorities like JUPEM to analyse data, track the spread of the disease and map a road to recovery.

One of Malaysia's youngest councils, the Municipal Council of Bandaraya Iskandar Puteri ("MBIP") implemented a web-based GIS platform to enable self-service of geospatial information across departments, improving data management and transparency, and creating more efficient workflows. Like many other councils, MBIP previously operated point-to-point data sharing workflows, which made it difficult to provide stakeholders across the organisation with intuitive access to important data. The platform has digitally transformed council operations and ensured efficient allocation of funds to support the city's rapid growth. Under the Local Government Jumpstart Programme, Esri Malaysia continues to secure projects from local councils such as MBIP – a positive indication that their pre-packaged GIS solutions are well-suited towards local government requirements.

In other sectors, GIS technology continues to be an enabler of consolidation and efficiency gains.

For example, national O&G corporation, Petronas adopted a new enterprise GIS platform, a horizontally scalable, 'one-stop shop' for geospatial information creating more sustainable operations to monitor, optimise and predict business workflows. Similarly, within the utilities sector, Esri Malaysia's relationship with national electricity corporation, Tenaga has grown stronger as part of a new cross-regional strategic engagement initiative driven through the Geospatial Division's marketing function.

Esri Indonesia

Esri Indonesia pushed forward with growth initiatives and captured new EAs and recurring income streams in FY2021. Other than traditional government engagements, Esri Indonesia also focused on large real estate and infrastructure planning developments to boost the adoption of geospatial technology.

Waskita Karya partnered with Esri Indonesia to create a new 3D digital twin to drive resilient infrastructure design across the nation. At the core of the initiative is a GIS platform which analyses, integrates and manages a variety of data including building information models. The platform enables architects and designers to



FY2021 EA Highlights

Jul 2020

Australia

Australian Federal
Government

Jul 2020

Australia

Queensland
Government's
Department of
Resources

Jul 2020

Australia

EQ

Dec 2020

Australia

South Australian
Government

virtually experiment with planning configurations, streamline stakeholder communications and optimise a new development's location, orientation and use of construction materials, resulting in cost and time savings during development, and eco-sustainability benefits during building operations.

The Directorate of Topography of the Indonesian Army, Dittopad launched a strategic partnership with Esri Indonesia to expand the use of cutting-edge technologies to inform decision-making and support operational activities within the Indonesia Army. The partnership is part of a broader digital transformation agenda which aims to harness artificial intelligence, big data and GIS technology to improve national security operations.

Regional Accolades and Initiatives

At the Esri User Conference held in July 2020, seven clients within our division's respective exclusive distribution network in Australia, Singapore, Malaysia and Indonesia were internationally recognised as winners of the prestigious Esri Special Achievement in GIS ("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.

In Australia, the ACT's Environment, Planning & Sustainable Development Directorate was conferred the SAG Award for their building audit and inspection management GIS solution, as mentioned earlier.

In Singapore, Singapore Police Force ("SPF") was conferred the SAG Award. Working closely with the Home Team Science & Technology Agency, SPF deployed an enterprise GIS platform designed to conceptualise, plan and implement capabilities to achieve the agency's 2025 Capability Vision. The platform enables police officers to be smarter, react faster and make data-driven decisions to prevent, detect and deter crimes. The project fulfilled three objectives for SPF: to do more with less, enhance end-user experiences and improve compliance, governance and risk management.

In Malaysia, E-Idaman, Indah Water Konsortium and Petronas were conferred the SAG Award. Petronas' web-based GIS platform, PiriGIS integrates pipeline asset management, live operational data from supervisory control & data acquisition systems and high-resolution data and imagery to monitor geo-hazard threats.

In Indonesia, Asia Pulp & Paper Sinar Mas and Jababeka were conferred the SAG Award. Jababeka – a real estate developer and township manager – won their award for JSMART, which was used to design, plan and develop Kota Jababeka, consisting of 5,600 hectares of land area. The project involving more than five Jababeka business units was able to share fibre optic, industrial tenant, infrastructure, land bank, pipeline, public street lighting and utilities grid data, ensuring data accuracy and integrity across business units.

In light of the pandemic, our division was able to successfully pivot from a traditional client engagement

programme to provide the user community with the opportunity to connect and share information virtually. Several large-scale virtual events were held including: the Esri Australia User Conference – Ozri – held as a one-day virtual event with over 1,300 delegates; Esri Singapore User Conference with 695 delegates; Esri Malaysia Directions Live Online with 440 delegates; and Esri Indonesia hosting a number of successful mining and O&G sector forums.

Esri Australia also expanded their other programmes of digital engagement including releasing two new podcast series: a technology-focused podcast called GIS Directions and a true-crime series called Mapping Evil. Mapping Evil explores how GIS technology and spatial analysis can empower public safety groups and was effective in driving new business opportunities with the emergency services and law enforcement sectors. The breakout series received 75,000 total downloads in the first 10 weeks in more than 50 countries. The podcast reached 12th on Apple's Australian charts and engaged an audience of over one million viewers through earned mainstream media coverage.

Moving forward in FY2022, our division intends to fortify the role of Esri ArcGIS technology in smart city planning, climate change resilience, ESG programmes, crisis and disaster response, and underpin the creation of sustainable socio-economic value across the region. Our Geospatial Division aims to be at the centre of mapping this transformation in the Asia Pacific.

Dec 2020

Australia

Western Power

Mar 2021

Australia

Woodside

Mar 2021

Malaysia

Petronas

Mar 2021

Australia

**New South Wales
Government's
Department of
Customer Service**

Esri Special Achievement in GIS Awards

	Australia	Singapore
Total	26 awards	20 awards
2020	<ul style="list-style-type: none"> Australian Capital Territory ("ACT")'s Environment, Planning & Sustainable Development Directorate for building audit and inspection management GIS solution 	<ul style="list-style-type: none"> Singapore Police Force for homeland security enterprise GIS solution
2019	<ul style="list-style-type: none"> APA Group – Infrastructure Planning & Protection for utilities management GIS solution ACT's Emergency Services Agency ("ACT ESA") for Automated Bushfire Attack Level South Australia's Department of Planning, Transport & Infrastructure for state infrastructure planning GIS solution 	<ul style="list-style-type: none"> Sembcorp Industries Ltd for Geo System Singapore Land Authority ("SLA") for Singapore Advanced Map Urban Redevelopment Authority ("URA") for Master Plan Review
2018	<ul style="list-style-type: none"> Geoscience Australia for MH370 search GIS solution Power & Water Corporation for utilities management GIS solution 	<ul style="list-style-type: none"> National Parks Board for MAVEN PUB for Geographic Resource Information System ("GERI")
2017	<ul style="list-style-type: none"> Australian Army for national security GIS solution 	<ul style="list-style-type: none"> URA for GEMMA
2016	<ul style="list-style-type: none"> Queensland Urban Utilities for Q-Hub 	<ul style="list-style-type: none"> Housing & Development Board for Integrated Planning & Analysis Platform
2015	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Land Transport Authority ("LTA") for Planning for Land Transport Network Municipal Services Office for OneService@SG
2014	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> SLA for Spatial Challenge
2013	<ul style="list-style-type: none"> Western Power for utilities enterprise GIS solution 	<ul style="list-style-type: none"> URA for Integrated Planning & Land Use System ("URA iPLAN")
2012	<ul style="list-style-type: none"> VicRoads for VicTraffic 	<ul style="list-style-type: none"> Ministry of Health for healthcare management GIS solution PUB for GERI
2011	<ul style="list-style-type: none"> Brisbane City Council for Flood Map Queensland Fire & Rescue Service for Total Operational Mapping 	<ul style="list-style-type: none"> SLA for GeoSpace
2010	<ul style="list-style-type: none"> Australian Department of Climate Change for National Carbon Accounting System Victoria's County Fire Authority for EIMS Mapper 	<ul style="list-style-type: none"> SLA for OneMap
2009	<ul style="list-style-type: none"> ACT ESA for emergency management GIS solution Tasmania's Department of Primary Industries & Water for state infrastructure planning GIS solution 	
2008	<ul style="list-style-type: none"> 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 management GIS solution 	<ul style="list-style-type: none"> LTA for Land Transport Infrastructure Data Hub
2007	<ul style="list-style-type: none"> City of Greater Geelong for municipal infrastructure planning GIS solution 	<ul style="list-style-type: none"> Defence Science & Technology Agency for national security GIS solution SLA for Singapore Street Directory
2006	<ul style="list-style-type: none"> BHP Billiton Ltd for Enterprise Spatial Data Infrastructure 	<ul style="list-style-type: none"> URA for URA iPLAN

Malaysia	Indonesia
16 awards	14 awards
<ul style="list-style-type: none"> E-Idaman Sdn Bhd for waste management GIS solution Indah Water Konsortium Sdn Bhd for national sewage management GIS solution Petroleum Nasional Bhd for PiriGIS 	<ul style="list-style-type: none"> Asia Pulp & Paper Sinar Mas for forest plantations management GIS solution PT Jababeka for JSMART
<ul style="list-style-type: none"> Department of Survey & Mapping Malaysia (“JUPEM”), Geospatial Defence Division (“BGSP”) for Centralised Geo Centric Disaster Management Mass Rapid Transit Corporation Sdn Bhd for KVMRT SSP Geospatial Portal 	<ul style="list-style-type: none"> Ministry of Public Works & Public Housing, Directorate General of Highway Construction & Maintenance for infrastructure asset management GIS solution PT Astra Honda Motor for corporate GIS solution
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> National Resilience Institute for Siskurtannas PT Telekomunikasi Indonesia for Sales IndiHome Information System
<ul style="list-style-type: none"> Penang Geographical Information System Centre for e-Peta 	<ul style="list-style-type: none"> Indonesian Navy for Hydro-Oceanography Data Centre Bank Muamalat for bank branch network planning GIS solution
<ul style="list-style-type: none"> Malaysian Centre for Geospatial Data Infrastructure (“MaCGDI”) for Malaysia Geospatial Online Services 	<ul style="list-style-type: none"> Ministry of Home Affairs for population data management GIS solution
<ul style="list-style-type: none"> JUPEM for Geospatial Data Acquisition System 	<ul style="list-style-type: none"> PT Freeport Indonesia for mining operations GIS solution
<ul style="list-style-type: none"> JUPEM, BGSP for uGeo for Defence 	<ul style="list-style-type: none"> PT Pertamina EP for upstream O&G operations GIS solution
<ul style="list-style-type: none"> Sarawak Land & Survey Department for Land & Survey Information System 	<ul style="list-style-type: none"> Ministry of Energy & Minerals Resources, Directorate General of Mineral & Coal Mining for mining management GIS solution
<ul style="list-style-type: none"> Ministry of Housing & Local Government, Federal Department of Town & Country Planning for Safe City Monitoring System 	<ul style="list-style-type: none"> Ministry of Transportation for transportation network planning GIS solution
<ul style="list-style-type: none"> MaCGDI for Malaysia Geospatial Data Infrastructure 	
<ul style="list-style-type: none"> JUPEM, Utility Mapping Section for National Utility Database 	<ul style="list-style-type: none"> National Coordinator for Survey & Mapping Agency for national geospatial data infrastructure GIS solution

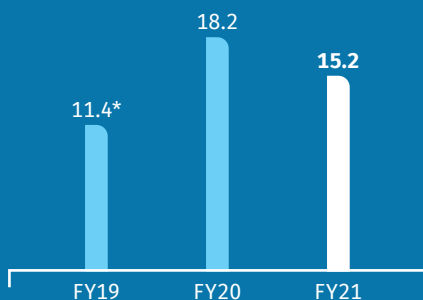
Healthcare

Performance Highlights

Division Revenue

S\$15.2 million

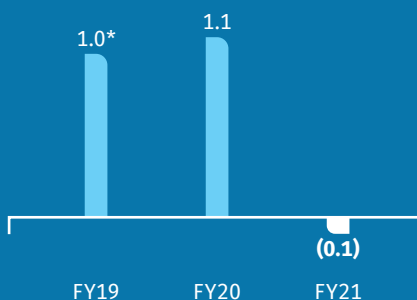
Year-on-year: ▼ 16%



► Revenue was impacted by the COVID-19 pandemic, which delayed non-COVID-19 healthcare initiatives.

Division Profit/(Loss) before Income Tax**/**

(S\$0.1 million)



► PBT was impacted by lower revenue.

* FY2019 financial results only consolidated from 2Q FY2019 onwards following acquisition.

** Excludes S\$0.4 million annual amortisation adjustment by Group on acquisition over three years.

*** Includes after-tax share of contribution from associate, Beijing Pukang of S\$1.1 million in FY2019, S\$2.0 million in FY2020 and S\$1.5 million in FY2021.

About

Our Healthcare Division's key business brands – Boustead Medical Care Holdings ("BMEC Holdings"), BMEC and Beijing Pukang Sport & Medical ("Beijing Pukang") – provide innovative medical solutions that address niche areas of age-related chronic diseases and mobility issues across the continuum of long-term care, with a focus on rehabilitative care and sports science in the Asia Pacific. Riding on global ageing population trends, this division caters technologies and services for healthcare institutions including private and public hospitals, nursing homes and outpatient centres. This division addresses the pain points of the healthcare sector with outcome-based solutions that promote more efficient recovery for patients and higher productivity of healthcare professionals, while mitigating resource shortages faced by the healthcare sector.

Market Sectors

- Aged care
- Essential healthcare
- Rehabilitative care
- Sports science

Geographic Markets

5 COUNTRIES AND TERRITORIES

- China
- Hong Kong
- Malaysia
- Singapore
- Thailand





Beijing Pukang's imoove exhibition display at China International Medical Equipment Fair, China.

Healthcare



Market Review

The market was focused on:

- Challenging market conditions due to the COVID-19 pandemic;
- Acute care activities to counter the pandemic; and
- Delays in investment decisions.

Key Highlights

Our Healthcare Division saw impact on:

- Division revenue due to the pandemic;
- Rehabilitative care activities; and
- Establishing service-oriented recurring income streams.

Our Healthcare Division under BMEC Holdings comprises a group of healthcare organisations across the Asia Pacific, with the largest being wholly-owned subsidiary, BMEC and 50%-owned associate, Beijing Pukang. Operations under BMEC span across China, Hong Kong, Malaysia, Singapore and Thailand. Operations under Beijing Pukang cover a client network of over 1,500 hospitals and 50 nursing homes in China and an addressable market of more than 230 million Chinese citizens with chronic diseases.

In FY2021, our division's activities across the region were impacted by the COVID-19 pandemic. There was weaker demand for rehabilitative care technology and services, with most healthcare institutions prioritising their attention towards addressing the pandemic and delaying all other healthcare initiatives.

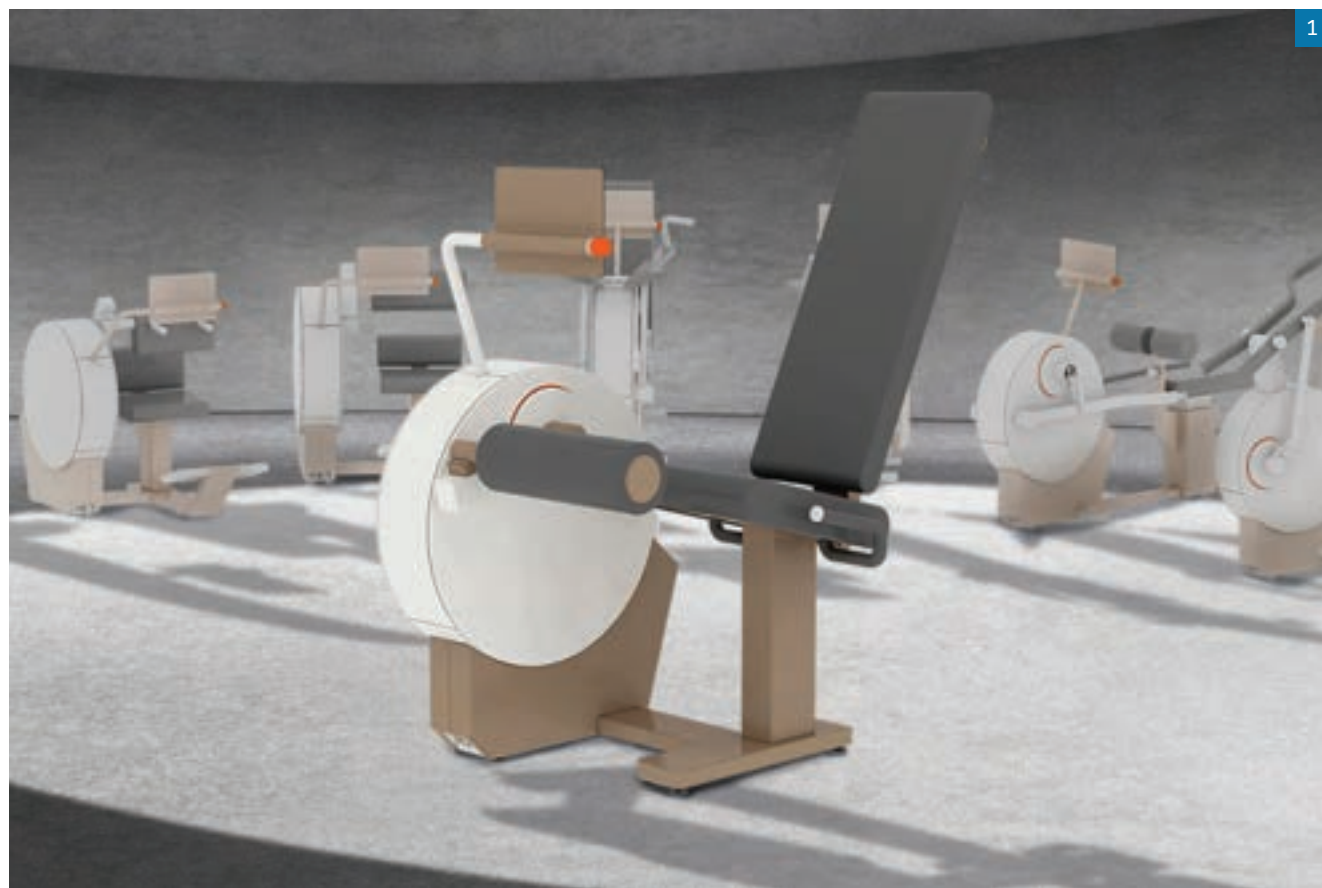
Division revenue was 16% lower year-on-year at S\$15.2 million, impacted by the pandemic. However, the impact was limited to our division's rehabilitative care business, with the sports science business faring better.

Division loss before income tax was S\$0.5 million, in line with lower division revenue. However, after adjusting for a S\$0.4 million annual amortisation adjustment made by the Boustead Group, the division loss would have been S\$0.1 million, a breakeven situation. FY2021 is the final year that this annual amortisation adjustment will be applied.

The pandemic's impact on demand for rehabilitative care and aged care services in hospitals was most keenly felt

in China and Malaysia. However, during this challenging period, BMEC took the opportunity to build upon ongoing discussions with hospitals to progress a key initiative on pioneering functional assessment service centres that will likely be launched in FY2022. Functional assessment service centres are seen as a value-added service to clients that will help to address clients' needs for outcome measurements of rehabilitative care in healthcare institutions, cross-departmental requirements and resource constraints, while providing BMEC with a new recurring income stream.

With BMEC's fundamentals in developing and sourcing breakthrough technologies that help mobility and combat comorbidities for cardiac and stroke patients, they continued to strengthen their rehabilitative care and aged care service offerings in rehabilitation, introducing a new range of automation technologies which meet the needs of elderly patients in general wards of hospitals. Initial market building efforts for products in mild cognitive impairment care and frailty care are also proceeding.



1. Development of sports science equipment, China.

In cardiovascular rehabilitation, development of a proprietary enterprise software for chronic stroke patients was also completed in FY2021. Efforts will be expended to market this software for wider use among rehabilitation clinics, where adoption of the software has the potential to significantly increase the productivity of physiotherapists and improve recovery outcomes.

In addition to BMEC's current bundled services to hospitals, they introduced deep cleaning and disinfection services catered to meet the strict hygiene requirements of healthcare institutions. These services are seen as complementary to BMEC's existing value chain and healthcare ecosystem, and have become even more essential to clients in light of the pandemic.

The sports science business continued to grow in FY2021 and mitigated the weaker performance of the rehabilitative care business. Better sales were registered in China, Singapore and Thailand. Recognised for quality and service excellence in the provision of sports science equipment and services,

Beijing Pukang continued to be a major sports science equipment provider to the China Olympic Team, outfitting several Olympic training centres in an ongoing project that carried through from FY2020. Beijing Pukang has also been engaged to manage one of the Olympic training centres. This management service model is expected to be expanded to more Olympic training centres in the future.

Scaling up on sports science initiatives, BMEC Holdings has embarked on developing a proprietary range of strength training equipment together with leading European-based technologies, with assembly and manufacturing in China. These initiatives are expected to be launched within the next two years. Simultaneously, BMEC Holdings continues to progress on assembly and manufacturing capabilities in China to develop basic rehabilitation equipment specifically for the local market.

Other activities such as the provision of rehabilitative care and sports science training to external corporate

and individual clients had to be largely halted in FY2021, mainly due to the fact that conducting remote training activities would not be effective.

Looking ahead in FY2022, the pandemic is expected to continue to place considerable pressure on the demand for our division's rehabilitative care and sports science businesses, along with potential disruptions to supply chains. As the environment is expected to remain challenging globally, the division will focus greater efforts on initiatives within the healthcare ecosystem that are less affected by the pandemic, leveraging the division's wide experience and network. The division also intends to strengthen service initiatives within South East Asia and aims to amplify returns by replicating this model to the larger market in China. In line with the norms of the healthcare sector's thorough evaluation and adoption process, the division's investments are expected to be a medium-term endeavour.

Quality, Safety & Sustainability Awards

Awarded by:			
BCA			
	Construction Excellence, Quality & Productivity Awards	Green Mark Platinum & Super Low Energy	Green Mark Gold Plus & Gold
Total	7 awards	13 awards	14 awards
2021			
2020		<ul style="list-style-type: none"> DB Schenker Shared Logistics Center (ALPS) 	<ul style="list-style-type: none"> ASM Front-End Manufacturing (Gold Plus) Razer SEA HQ (Gold Plus) Bombardier Singapore Service Centre Phase 2 (Gold)
2019	<ul style="list-style-type: none"> BP E&C: Construction Productivity Award – Projects (Gold) for Continental Building Phase 3 	<ul style="list-style-type: none"> Surbana Jurong Campus (Green Mark Platinum – Super Low Energy) / 1st Green Mark Platinum – Super Low Energy in large-scale business park and industrial real estate sector category / Bolloré Blue Hub Veolia Singapore Office@Tuas View Circuit 	
2018	<ul style="list-style-type: none"> BP E&C: Green & Gracious Builder Award (Excellent) 	<ul style="list-style-type: none"> ALICE@Mediapolis 	
2017	<ul style="list-style-type: none"> BP E&C: BIM Gold Award – Organisation Category BPL: Construction Excellence Award for Seagate Singapore Design Center – The Shugart 		<ul style="list-style-type: none"> Markono M-Cube (Gold) XP Power (Gold Overseas) / 1st Green Mark in non-residential building category in Vietnam /
2016		<ul style="list-style-type: none"> Kuehne+Nagel Singapore Logistics Hub 	
2015	<ul style="list-style-type: none"> BPL: Green & Gracious Builder Award (Merit) BPL: Construction Productivity Award – Projects (Gold) for Edward Boustead Centre 	<ul style="list-style-type: none"> Edward Boustead Centre Seagate Singapore Design Center – The Shugart 	<ul style="list-style-type: none"> Greenpac Greenhub (Gold Plus)
2014	<ul style="list-style-type: none"> BPL: Construction Excellence Certificate of Merit for Bolloré Green Hub 	<ul style="list-style-type: none"> DB Schenker Shared Logistics Center 3 (Tampines LogisPark) 	<ul style="list-style-type: none"> Greenpac Greenhub (Office Interior Gold Plus) Kerry Logistics Centre – Tampines (Gold) Satair Airbus Singapore Centre (Gold)
2013			<ul style="list-style-type: none"> Greenpac Greenhub (Gold) Jabil Circuit (Gold)
2012		<ul style="list-style-type: none"> Bolloré Green Hub / 1st in logistics sector category / 	
2011		<ul style="list-style-type: none"> Rolls-Royce Wide Chord Fan Blade Manufacturing Facility Rolls-Royce Test Bed Facility / 1st in aerospace sector category / 	
2010			<ul style="list-style-type: none"> IBM Singapore Technology Park (Gold) Sun Venture Investments@50 Scotts Road (Gold)
2009		<ul style="list-style-type: none"> Applied Materials Building / 1st in heavy industry category / 	<ul style="list-style-type: none"> StarHub Green (Gold)

Legend

ASRA: Asia Sustainability Reporting Awards
BC&E: Boustead Controls & Electrics
BCA: Building & Construction Authority
BIM: Building information modelling

BPL: Boustead Projects
BP E&C: Boustead Projects E&C
BSL: Boustead Singapore
ESG: Environmental, social and governance

FA ABC: FinanceAsia Asia's Best Companies
FT: Financial Times
IRM AC SEA: IR Magazine Awards & Conference South East Asia
LEED: Leadership in Energy & Environmental Design

Awarded by:		
USGBC	WSHC	Others
LEED Gold	bizSAFE, Safety & SHARP Awards	ESG, Investor & Quality Awards
4 awards	25 awards	19 awards
		<ul style="list-style-type: none"> BSL: Singapore's Best Employers 2021 – ST and Statista BSL: Asia Pacific's High-Growth Companies 2021 – FT BSL: Singapore's Fastest Growing Companies 2021 – ST and Statista
<ul style="list-style-type: none"> DB Schenker Shared Logistics Center (ALPS) 	<ul style="list-style-type: none"> ASM Front-End Manufacturing Wilmar HQ 	<ul style="list-style-type: none"> BSL: Singapore's Best Employers 2020 – ST and Statista
	<ul style="list-style-type: none"> BC&E: bizSAFE Star Bolloré Blue Hub Veolia Hazardous Chemical Waste Treatment Complex 	<ul style="list-style-type: none"> BSL: Most Transparent Company (Winner), Industrials Category – SIAS ICA BSL: Sustainability Award (Runner-Up), Mid Cap Category – SIAS ICA BSL: Best Liquidity and Investments Solution Regional – The Asset Triple A Awards BSL FY2018 Longevity Report: Asia's Best First Time Sustainability Report Finalist – ASRA BPL FY2018 Longevity Report: Asia's Best First Time Sustainability Report Finalist – ASRA
	<ul style="list-style-type: none"> BP E&C: WSH Performance (Silver) Award ALICE@Mediapolis 	
	<ul style="list-style-type: none"> GSK Asia House 	<ul style="list-style-type: none"> BPL: Singapore Corporate Governance Award, Newly Listed Category – SIAS ICA BSL: Best Small Cap in Singapore – FA ABC BSL: Best at Investor Relations (3rd) – FA ABC
<ul style="list-style-type: none"> Kuehne+Nagel Singapore Logistics Hub 	<ul style="list-style-type: none"> Kuehne+Nagel Singapore Logistics Hub 	<ul style="list-style-type: none"> BSL: Certificate for Excellence and Nomination for Best IR in Singapore – IRM AC SEA Loh Kai Keong: Best CFO, Mid Cap Category – SCA
	<ul style="list-style-type: none"> MTU Asia Pacific HQ 	<ul style="list-style-type: none"> BSL: Singapore Golden Jubilee Business Award
	<ul style="list-style-type: none"> DB Schenker Shared Logistics Center 3 (Tampines LogisPark) (Commendation) 	
<ul style="list-style-type: none"> Kerry Logistics Centre – Tampines Bolloré Green Hub 		
/ 1st LEED Gold in logistics sector in Asia /		
	<ul style="list-style-type: none"> BPL: WSH Performance (Silver) Award Bolloré Green Hub 	
	<ul style="list-style-type: none"> BPL: bizSAFE Mentor BPL: WSH Performance (Silver) Award Rolls-Royce Wide Chord Fan Blade Manufacturing Facility 	
	<ul style="list-style-type: none"> BPL: WSH Performance (Silver) Award BPL: WSH Officer Award Applied Materials Building IBM Singapore Technology Park Le FreePort Singapore Aero Engine Services 	<ul style="list-style-type: none"> BSL: Most Transparent Company (Runner-Up), Construction Category – SIAS ICA
	<ul style="list-style-type: none"> BPL: bizSAFE Star BPL: WSH Performance (Silver) Award StarHub Green 	<ul style="list-style-type: none"> BSL: Forbes Asia 200 Best Under a Billion BSL: Most Transparent Company (Runner-Up), Construction Category – SIAS ICA Wong Fong Fui: Best CEO, Mid Cap Category – SCA

SCA: Singapore Corporate Awards
 SHARP: Safety & Health Award Recognition for Projects
 SIAS ICA: Securities Investors Association (Singapore) Investors' Choice Awards
 ST: The Straits Times

USGBC: US Green Building Council
 WSH: Workplace Safety & Health
 WSHC: Workplace Safety & Health Council

Board of Directors



Wong Fong Fui

**Chairman &
Group Chief Executive Officer
("Group CEO")**

N

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

Age: 77

Appointed: 15 April 1996

Last re-elected: 28 July 2016

Key areas of experience:

Mr Wong Fong Fui was appointed as our Chairman & Group CEO in 1996. An entrepreneur with proven success in diverse fields spanning over 50 years, he began his career as a chemical engineer in the oil & gas sector and subsequently co-founded various private engineering and construction corporations in his early years. During his career, he has amassed extensive business experience in the commercial aviation, education, engineering, food, information technology and telecommunications sectors.

In 2009, Mr Wong was named Best CEO (Mid-Cap Category) at the Singapore Corporate Awards. He received an Honorary PhD of Business in 2014 from his alma mater, the UNSW, and in 2015, the SG50 Outstanding Chinese Business Pioneers Award from the Singapore Chinese Chamber of Commerce & Industry.

Previous appointments:

Prior to joining the Boustead Group, Mr Wong was 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 instrumental in the startup and privatisation of national carrier, Myanmar Airways International from 1993 to 1998. In 2009, he was 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. From 2016 to 2018, he sat on the National University of Singapore Board of Trustees.



Wong Yu Loon

**Executive Director & Deputy Group Chief
Executive Officer ("Deputy Group CEO")**

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

Age: 46

Appointed: 2 April 2013

Last re-elected: 26 July 2018

Key areas of experience:

Mr Wong Yu Loon joined the Boustead Group in 2003 and was appointed as our Executive Director in 2013 and Deputy Group CEO in 2016. He began his role here as Corporate Planning Manager and was subsequently promoted to Group Investment Director before assuming his current position. With over 15 years of extensive business experience, he is responsible for assisting our Group CEO in overseeing strategic execution, business development and day-to-day management and operations.

Previous appointments:

Prior to joining the Boustead Group, Mr Wong accumulated over a decade of extensive mergers and acquisitions, and corporate and financial advisory experience, having previously held positions in various corporate financial institutions and investment banks regionally.



Dr Tan Khee Giap

Independent Non-Executive Director

AR N R

- > Doctor of Philosophy (Monetary Economics), University of East Anglia

Age: 63

Appointed: 28 June 2018

Last re-elected: 25 August 2020

Key areas of experience:

Dr Tan Khee Giap was appointed as our Independent Non-Executive Director in 2018. With over 40 years of extensive academic and consulting experience, he is a leading economist currently serving as Associate Professor of Public Policy at the Lee Kuan Yew School of Public Policy ("LKYSPP"), National University of Singapore ("NUS") and the Chairman of the Singapore National Committee for Pacific Economic Cooperation.

Current external appointments:

Dr Tan is currently an independent non-executive director of Amcorp Global Ltd, BreadTalk Group Pte Ltd and Lian Beng Group Ltd. He serves as an advisor and consultant to 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 Committees for Defence & Foreign Affairs, Finance and Trade & Industry, and Transport since 2007.

Previous appointments:

Dr Tan relinquished his role as Independent Non-Executive Director of Boustead Projects Limited in 2018 following his appointment to our Board. He has also held senior academic positions including Co-Director of the Asia Competitiveness Institute at LKYSPP, NUS and Associate Dean of Graduate Studies at Nanyang Technological University.

Committee membership

AR Audit & Risk Committee

N Nominating Committee

R Remuneration Committee

● Denotes Chairman of Committee

**Chong Ngien Cheong****Independent Non-Executive Director**

N AR R

- > Bachelor of Commerce, Nanyang University

Age: 69

Appointed: 23 May 1996

Last re-elected: 26 July 2019

Key areas of experience:

Mr Chong Ngien Cheong was appointed as our Independent Non-Executive Director in 1996. He has over 40 years of extensive finance and investment experience.

Current external appointments:

Mr Chong is currently Director of Sang Chun Holdings Pte Ltd, an investment and holding company.

Previous appointments:

Mr Chong was previously involved in the management of Soon Teck Ventures Pte Ltd (formerly known as Soon Teck Finance (S) Ltd) which was a licenced finance corporation until 1991. He has also been a key investor in several corporations that have developed properties in Singapore and Malaysia over the past few decades.

**Godfrey Ernest Scotchbrook****Independent Non-Executive Director**

R AR

- > Fellow, Chartered Institute of Public Relations
- > Fellow, Hong Kong Management Association

Age: 75

Appointed: 21 September 2000

Last re-elected: 25 August 2020

Key areas of experience:

Mr Godfrey Ernest Scotchbrook was appointed as our Independent Non-Executive Director in 2000. With over 50 years of extensive corporate communications and crisis management experience, he is a strong proponent of good corporate affairs and corporate governance practices.

Current external appointments:

Mr Scotchbrook is currently a non-executive director of Convenience Retail Asia Ltd and an independent non-executive director of Del Monte Foods Inc and Del Monte Pacific Ltd. He is a Fellow of the British Chartered Institute of Public Relations and Hong Kong Management Association.

Previous appointments:

Mr Scotchbrook founded Scotchbrook Communications Ltd, a firm focused on corporate and financial communications and investor relations.

**Liak Teng Lit****Independent Non-Executive Director**

AR

- > Bachelor of Pharmacy, National University of Singapore ("NUS")
- > Master of Science (Pharmaceutical Sciences), Aston University
- > Master of Business Administration, NUS

Age: 68

Appointed: 1 April 2020

Last re-elected: 25 August 2020

Key areas of experience:

Mr Liak Teng Lit was appointed as our Independent Non-Executive Director in 2020. With over 40 years of extensive management experience across both the private and public healthcare sectors, he is a healthcare industry veteran.

Current external appointments:

Mr Liak is currently serving on the boards of At-Sunrice GlobalChef Academy and Pathlight School.

Previous appointments:

Mr Liak was previously Group Chief Operating Officer of Perennial Real Estate Holdings Ltd and Chief Executive Officer ("CEO") of Perennial Healthcare Pte Ltd. He has also held several senior public healthcare positions including Group CEO of Alexandra Health System and CEO of Khoo Teck Puat Hospital, Alexandra Hospital, Changi General Hospital and Toa Payoh Hospital. He was also involved in the restructuring of major public hospitals including Kandang Kerbau Hospital, National University Hospital and Singapore General Hospital. He served as Chairman of the National Environment Agency and Public Hygiene Council, and served on the boards of Alexandra Health System, Centre for Liveable Cities, National Parks Board, National Philanthropy & Volunteer Centre, NorthLight School, NTUC First Campus, NTUC Health and Singapore Tourism Board, among others.

Key Management Team



Group Headquarters

Wong Fong Fui**Chairman &****Group Chief Executive Officer**

Boustead Singapore Limited, 1996

Profiled under Board of Directors, page 62

Wong Yu Loon**Executive Director &****Deputy Group Chief Executive Officer**

Boustead Singapore Limited, 2003

Profiled under Board of Directors, page 62

Chan Shiok Faun**Group Chief Financial Officer**

Boustead Singapore Limited, 1991

Keith Chu**Senior Vice President – Corporate****Marketing & Investor Relations**

Boustead Singapore Limited, 2003

Yeo Wee Leong**Senior Vice President –****Internal Audit**

Boustead Singapore Limited, 2008

Phua Yi Shen**Senior Vice President –****Group Human Resources**

Boustead Singapore Limited, 2021

Energy Engineering

**Downstream Oil & Gas /
Petrochemicals****Stuart Cummings****Chief Executive Officer**

Boustead International Heaters Ltd, 2013

Peter Halstead**Finance Director**

Boustead International Heaters Ltd, 2004

Ian Kentsley**Projects Director**

Boustead International Heaters Ltd, 1997

Steve Ruscoe**Manufacturing Director**

Boustead International Heaters Ltd, 1997

Upstream Oil & Gas**Prasun Chakraborty****Managing Director**

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



Real Estate

Thomas Chu
Managing Director
 Boustead Projects Limited, 1997

Wong Yu Wei
Executive 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
Director (Engineering)
 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

Charlie Chan
Director (Operations)
 Boustead Projects E&C Pte Ltd, 2019

Samuel Lim
Director (Real Estate)
 Boustead Funds Management Pte Ltd, 2019

Geospatial

Esri Australia

Brett Bundock
Managing Director
 Esri Australia Pty Ltd, 1988

Kaylee Holdsworth
Chief Financial Officer
 Esri Australia Pty Ltd, 2006

Mark Billing
Chief Sales Officer
 Esri Australia Pty Ltd, 2005

Raquel Jackson
Chief Marketing Officer
 Esri Australia Pty Ltd, 2011

Kate Ramsay
Chief Client Officer
 Esri Australia Pty Ltd, 2006

Esri Singapore

Leslie Wong
Managing Director
 Esri South Asia Pte Ltd, 2006
 Esri Singapore Pte Ltd, 2006

Esri Malaysia

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

Healthcare

Goh Boon Seong
Managing Director
 Boustead Medical Care Holdings Pte Ltd, 1999

Jason Jia
Deputy Managing Director
 Boustead Medical Care Holdings Pte Ltd, 1996

Ang Eng Joo
Chief Executive Officer – BMEC & Chief Technology Officer
 Boustead Medical Care Holdings Pte Ltd, 1988

Tay Eng Hean
Chief Executive Officer – BMEC Sleep Care
 Boustead Medical Care Holdings Pte Ltd, 1999

Stakeholder Relations

Summary of FY2021 Investor Relations Activities

39

face-to-face/
teleconference/virtual
investor meetings hosted

FY2020: 55

49

investors met
FY2020: 78

1

investor conference/
event attended

FY2020: 0

3

research firms providing
coverage:

- CIMB Research
- Seeking Alpha
- UOB Kay Hian

Delivering Value to Shareholders

8.0¢*

dividends per share for
FY2021

69.5¢**

total shareholder return per
share over past decade

S\$488.9m

market capitalisation
at end of FY2021

S\$40.2m

worth of net share buybacks
conducted over past decade

Stakeholder Communications

For almost two decades, 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. In 2018, with the launch of our inaugural Boustead FY2018 Longevity Report (Sustainability Report), we added yet another avenue of annual communications with stakeholders.

All of our annual reports, company announcements and financial results announcements for at least the past five years, as well as substantial information that would be of interest to investors are available at www.boustead.sg/investors. Our Boustead and Boustead Projects Annual Reports have been award-winning annual reports for four successive years, with both sets of reports being either Platinum or Gold Winners at the world-renowned Hermes Creative Awards from 2017 to 2020. Our Boustead and Boustead Projects Longevity Reports have also been recognised by leading sustainability experts.

In FY2021, we met 49 investors at investor conferences, meetings and presentations – many on virtual platforms – to share our business strategies and financial performance.

During the year, CGS-CIMB Research and UOB Kay Hian continued comprehensive rated research coverage on both Boustead and Boustead Projects. In addition, Seeking Alpha released in-depth analytical views on Boustead Projects.

We continued to actively engage with institutional and retail investors. We also presented at the SGX & GS Singapore Corporate Day 2021, hosted by SGX and Goldman Sachs, which was our first time attending and presenting at a virtual investor conference.

In October 2020, we released our Boustead FY2020 Longevity Report, presenting an in-depth understanding of how we ensure the longevity of our business and the wider ecosystem that we are interconnected with. We also shared how this translates to delivering sustainable shared socio-economic value and progress to our key stakeholders, along with the communities that we reside in and our collective home – Planet Earth.

In addition, we were recognised on several other fronts by other stakeholder groups for our strong efforts in talent management. In April 2020, *The Straits Times* and global research firm Statista released their inaugural Singapore's Best Employers 2020, presenting a ranking of the 150 most attractive employers in Singapore to work for. In this national talent management survey, Boustead was ranked 38th overall and 2nd in our respective sector category of Business Services & Supplies (including Real Estate). This was followed up with in April 2021 with Singapore's Best Employers 2021, where Boustead was named for a second successive year, ranked 40th overall and 1st in our respective sector category, based on over 200,000 evaluations conducted across 26 sectors for corporations employing at least 200 people, of which there are about 1,700 such corporations in Singapore including Fortune 500 corporations, large multinational corporations and homegrown corporations.

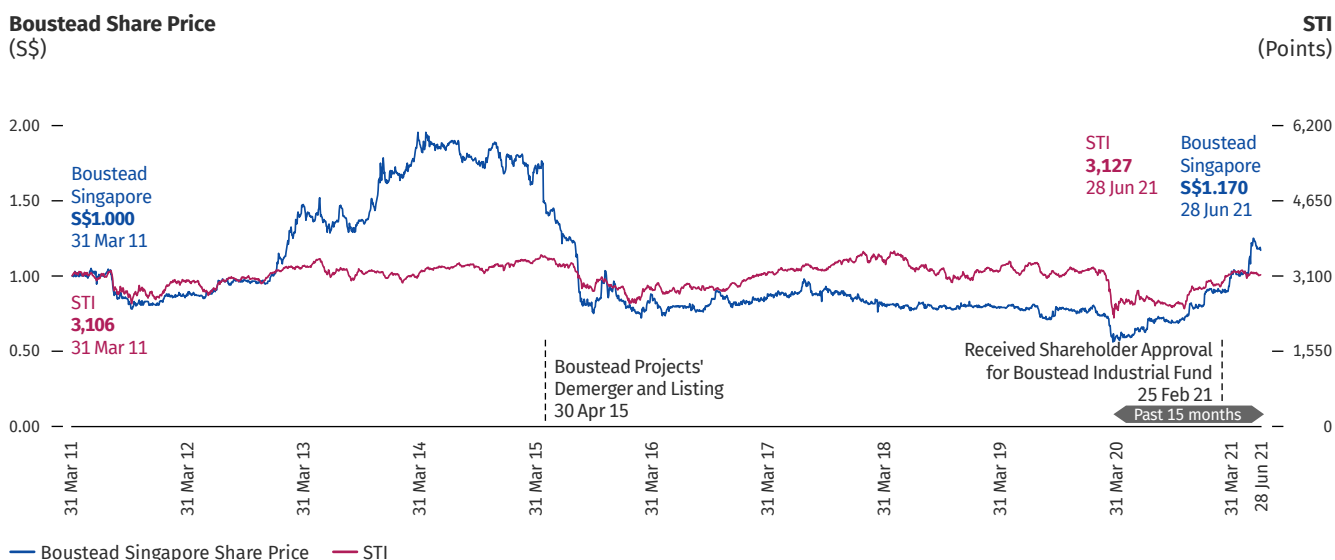
If you have any stakeholder queries, please email us at ir.team@boustead.sg.

* Includes proposed final dividend of 3 cents per share and special dividend of 4 cents per share for FY2021.

** Includes dividends and net share buybacks but excludes capital gains over the past decade, for comparative review.

Share Performance and STI Commentary

Opening FY2021 at a near 12-year low of S\$0.600, Boustead's share price increased by approximately 95% over the past 15 months, touching a low of S\$0.570 on 8 April 2020 and high of S\$1.270 on 7 June 2021, and closing at S\$1.170 on 28 June 2021. The major cause behind the share price reaching a 12-year low was the onset of the COVID-19 pandemic. The last time that the share price reached such depressed levels was during the Global Financial Crisis.



FY2021 Calendar

Date	Activity/Event
Aug 2020	<ul style="list-style-type: none"> FY2020 Annual Report Annual General Meeting
Sep 2020	<ul style="list-style-type: none"> FY2020 final dividend of 2 cents per share
Oct 2020	<ul style="list-style-type: none"> FY2020 Longevity Report
Nov 2020	<ul style="list-style-type: none"> 1H FY2021 financial results announcement
Dec 2020	<ul style="list-style-type: none"> FY2021 interim dividend of 1 cent per share
Mar 2021	<ul style="list-style-type: none"> SGX & GS Singapore Corporate Day 2021
May 2021	<ul style="list-style-type: none"> FY2021 financial results announcement

FY2022 Calendar***

Date	Activity/Event
Jul 2021	<ul style="list-style-type: none"> FY2021 Annual Report Annual General Meeting
Aug 2021	<ul style="list-style-type: none"> FY2021 final dividend of 3 cents per share (proposed) FY2021 special dividend of 4 cents per share (proposed)
Aug 2021	<ul style="list-style-type: none"> FY2021 Longevity Report
Nov 2021	<ul style="list-style-type: none"> 1H FY2022 financial results announcement
May 2022	<ul style="list-style-type: none"> FY2022 financial results announcement

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

Corporate Information

Directors

Wong Fong Fui

Chairman &
Group Chief Executive Officer

Wong Yu Loon

Executive Director &
Deputy Group Chief Executive Officer

Dr Tan Khée Giap

Independent Non-Executive Director

Chong Ngien Cheong

Independent Non-Executive Director

Godfrey Ernest Scotchbrook

Independent Non-Executive Director

Liak Teng Lit

Independent Non-Executive Director

Audit & Risk Committee

Dr Tan Khée Giap

Chairman

Chong Ngien Cheong
Godfrey Ernest Scotchbrook
Liak Teng Lit

Nominating Committee

Chong Ngien Cheong

Chairman

Dr Tan Khée Giap
Wong Fong Fui

Remuneration Committee

Godfrey Ernest Scotchbrook

Chairman

Chong Ngien Cheong
Dr Tan Khée Giap

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

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Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

The directors present their statement to the members together with the audited consolidated financial statements of the Group for the financial year ended 31 March 2021 and the statement of financial position of the Company as at 31 March 2021.

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 109 to 216 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 2021 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
Wong Yu Loon
Dr Tan Khee Giap
Chong Ngien Cheong
Godfrey Ernest Scotchbrook
Liak Teng Lit

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, other than as disclosed under "Share awards" in this report.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 31.3.2021	At 1.4.2020	At 31.3.2021	At 1.4.2020
The Company – Boustead Singapore Limited				
<u>(No. of ordinary shares)</u>				
Wong Fong Fui	-	-	205,798,032	205,048,032
Godfrey Ernest Scotchbrook	-	-	1,052,783	1,052,783
Subsidiary Company – Boustead Projects Limited				
<u>(No. of ordinary shares)</u>				
Wong Fong Fui	-	-	224,242,603	224,242,603
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 2021 were the same as those as at 31 March 2021.

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 the Company in their capacity as directors and/or executives of the Company.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

SHARE AWARDS

- (a) 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 eligible 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.
- (b) The committee administering the 2011 Share Plan comprises three members, all of whom are non-executive directors. "Executive employees" mean confirmed employees of (i) a group company, fulfilling an executive role (including any executive director, but excluding Mr Wong Fong Fui, the Chairman & Group Chief Executive Officer of the Company) or (ii) an associate, fulfilling an executive role, selected by the committee.
- (c) Details of the 2011 Share Plan are disclosed in Note 33 to the financial statements.
- (d) The members of the committee administering the 2011 Share Plan are:

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

The members of the committee are eligible to participate in the 2011 Share Plan. Any director participating in 2011 Share Plan who is a member of the committee will not be involved in the committee's deliberations in respect of any share award granted or to be granted to him.

- (e) There were no share awards granted or vested pursuant to the 2011 Share Plan during the year. The details of share awards granted and vested since the commencement of the 2011 Share Plan are as follows:

Name of participant	Number of shares comprised in awards granted during the financial year	Aggregate number of shares comprised in awards since commencement of the 2011 Share Plan to end of financial year	Aggregate number of shares comprised in awards vested since commencement of the 2011 Share Plan to end of financial year	Aggregate number of shares comprised in awards outstanding as at end of financial year
<u>Associate of Controlling Shareholder of the Company</u>				
Wong Yu Wei	-	120,715	(120,715)	-
Employees of the Company's subsidiary	-	1,074,971	(1,074,971)	-
	-	1,195,686	(1,195,686)	-

There were no participants who received 5% or more of the total number of shares available under the 2011 Share Plan. Save as disclosed above, no awards have been granted to directors of the Company or controlling shareholders and their associates since the commencement of the 2011 Share Plan to the end of the financial year.

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

AUDIT & RISK COMMITTEE

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

Dr Tan Khee Giap (Chairman)
Chong Ngien Cheong
Godfrey Ernest Scotchbrook
Liak Teng Lit

The Audit & Risk Committee met 2 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 half-year 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.

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 2021

Corporate Governance

The Board of Directors of Boustead Singapore Limited (“Board”) is committed to maintaining a high standard of corporate governance and transparency within the Company and its subsidiaries (“Group”), in line with the principles and provisions set out in the revised Code of Corporate Governance 2018 (“Code”). This establishes and maintains a legal and ethical environment in the Group to preserve the interests of all shareholders and stakeholders.

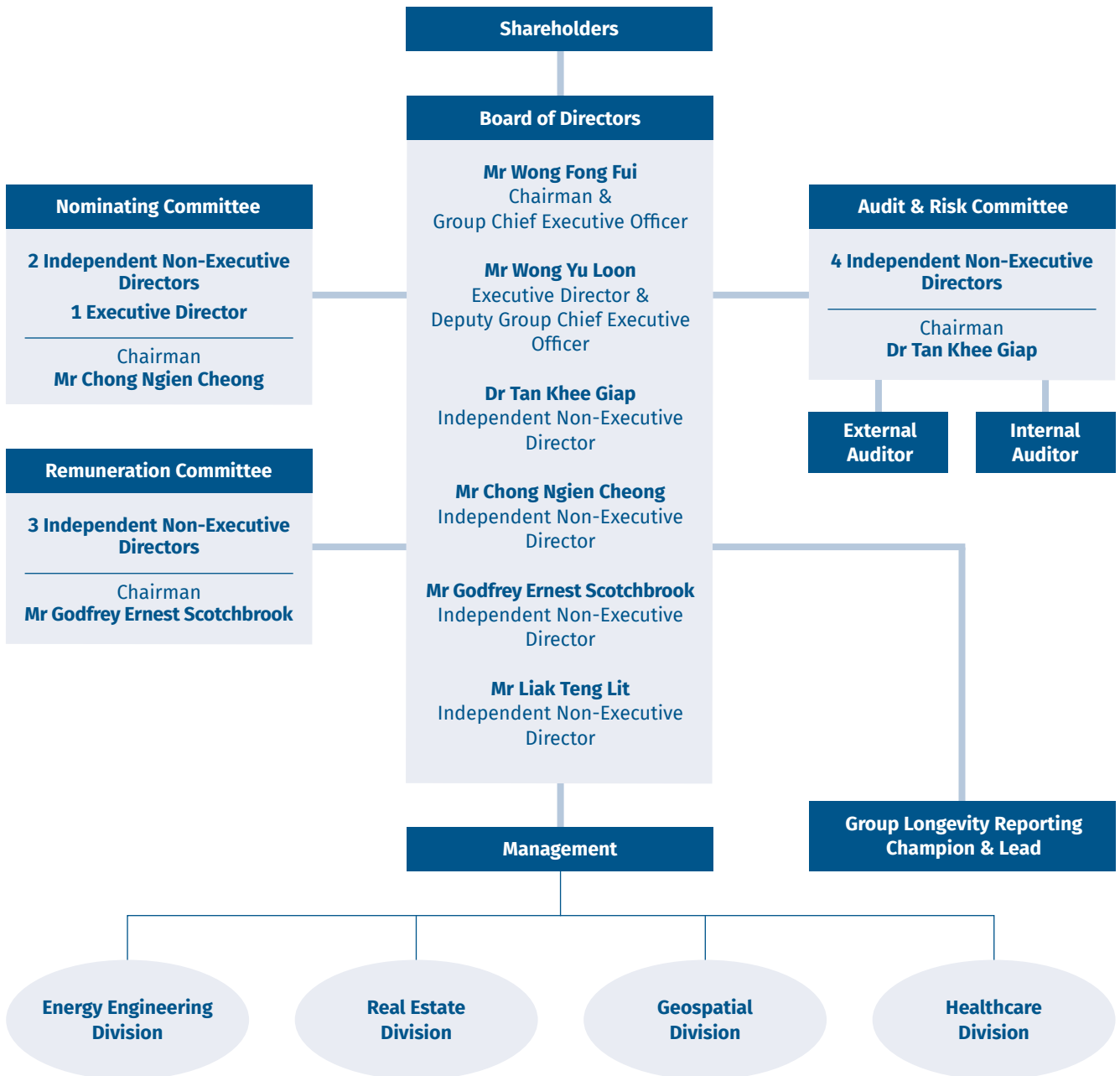
The Board is pleased to present this Corporate Governance Report (“Report”) which outlines the Company’s corporate governance practices for the financial year ended 31 March 2021 (“FY2021”) with specific reference made to the principles and provisions of the Code and accompanying Practice Guidance issued on 6 August 2018 and updated as of 7 February 2020 (“Practice Guidance”), which forms part of the continuing obligations of the Listing Rules 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 adhered to the principles and provisions as set out in the Code for FY2021. Where the Company’s practices vary from any provisions of the Code, these variations are identified together with an explanation of the reason for the variation and an explanation on how the practices which the Company has adopted are consistent with the intent of the relevant principle.

Corporate Governance

GOVERNANCE FRAMEWORK

The Company's governance structure is as follows:



Corporate Governance

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1 - The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Board Duties and Responsibilities

The Company is headed by an effective Board that is collectively responsible for the overall leadership, control, management and long-term success of the Company. The Board provides guidance to and works with management ("Management") to achieve the Company's objectives and monitors the performance of Management, and Management is accountable to the Board for its performance.

The Board 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;
- monitoring financial performance, including approval for the release of financial results announcements;
- approval of the annual report and financial statements;
- convening of shareholders' meetings;
- recommendations of dividend payments and other distributions to shareholders;
- overseeing the business affairs of the Company and monitoring the on-going performance of Management;
- approval of material acquisitions and disposals of assets;
- setting the Company's core values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and duly met;
- considering sustainability issues, such as economic, environmental and social issues, as part of its strategic formulation;
- approval of the Group's risk appetite and establishing and overseeing the processes of evaluating the adequacy of internal controls, risk management and financial reporting; and
- assuming the responsibility for corporate governance.

The Board also sets the tone for the Group in respect of ethics, organisational culture and business conduct, and ensures proper accountability within the Group. The Board is strongly committed to the highest standards of integrity and ethical behaviour in conducting business. The Company has adopted a Code of Conduct which sets out the standards expected of the Company, Management and its employees on, among other things, anti-bribery and anti-corruption, fair dealing and competition, proper use of corporate positions and resources, confidentiality and privacy obligations, insider trading and whistle-blowing. In addition, the Company has implemented a separate Anti-Bribery and Corruption Policy as well as Whistleblowing Policy, which have been published on its corporate website, as to which please see further the section on Principle 10 under "Audit & Risk Committee" below.

Additionally, under the Code of Conduct adopted by the Company, the directors are required, without prejudice to their duties and responsibilities as directors generally, to avoid conflicts of interest or duty, or taking improper advantage of their position. Issues of conflict of interest or potential conflict of interest involving directors of the Company are dealt with by the Audit & Risk Committee of the Board, which comprises independent directors only. Independent directors of the Board also deal with conflict of interest issues relating to substantial shareholders, and matters which require the decision and determination of the independent directors pursuant to the provisions of the Listing Manual of the SGX-ST or applicable laws and regulations.

Corporate Governance

Conflict of Interests

All directors of the Company are required to act objectively in the best interests of the Company as fiduciaries at all times. The directors exercise independent judgment and due diligence when making decisions, and for the benefit of the Company. Consistent with this principle, every director is required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Company as soon as is practicable after the relevant facts have come to his/her knowledge. Where a director has a conflict of interest in a particular matter, he or she will be required to declare his/her interest to the Board, recuse himself/herself from the deliberations and abstain from voting on the matter. Directors must obtain the permission of the Chairman of the Board to serve in any capacity in a business, company or other organisation outside of the Company, as there may be a possibility that such a role or duty could conflict with the best interests of the Company.

Understanding of Directors' Role

The Board implements measures with a view to ensuring that both newly appointed as well as existing directors are familiar with the Group's business and operations as well as their duties and responsibilities as directors.

A newly appointed director will, upon appointment, be provided with a formal letter setting out, among other things, the director's role as an executive or non-executive or independent director and associated duties and responsibilities. A newly appointed director will be given an orientation and comprehensive briefing by Management on the Group's corporate profile, and the Group's strategies, plans, 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.

On an ongoing basis, the Board as a whole is kept up-to-date on pertinent developments in the Group's business and operations, as well as the industry and legal and regulatory environment in which the Group operates. All non-executive directors are invited to request for additional explanations, briefings and informal discussions on any aspect of the Group's business or operations issues at all times. The directors may, at any time, visit the Group's project sites in order to gain a better understanding of the Group's business and operations.

The Company provides the directors with the opportunity to develop and maintain their skills and knowledge through internal briefings as well as external courses. The Company provides members of the Board with regular 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 undergo continual professional development during the term of their appointment, including attending appropriate external training courses conducted by third parties such as the Singapore Institute of Directors ("SID") and external professionals, at the Company's expense.

The Company maintains a corporate membership with the SID, which provides training and resources useful for the Company in keeping up to date with best practices in corporate governance.

As at 31 March 2021, all of the non-executive directors on the Board have had many years of board experience and were therefore familiar with the duties and responsibilities of a director of a listed issuer.

As at the date of this Report, three of the four non-executive directors on the Board have been directors of the Company for at least three years, and were therefore familiar with the Group's business and operations.

Corporate Governance

Delegation of Authority

The Company has adopted written internal guidelines governing matters that require the Board's approval. The written internal guidelines are clearly communicated to Management. The Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Management via a structured Delegation of Authority matrix, which is reviewed on a regular basis and revised accordingly when necessary.

The Delegation of Authority matrix forms a guideline and provides clear directions on matters requiring the Board's or Management's approval.

The authority of the executive directors is set out in formal board resolutions. Matters which are specifically reserved for the Board's decision include those involving corporate plans and budgets, material acquisitions and disposals of assets, corporate strategy, financial restructuring, share issuances, dividends and other returns to shareholders, major financial decisions such as investment and divestment proposals, incurring debt, expenditure beyond a prescribed amount as well as interested party transactions and any other matters as prescribed under the relevant legislations and regulations and the provisions of the Company's Constitution. A resolution of the full Board passed by all the directors for the time being in Singapore is required in order to approve such matters. As a matter of prudence, the executive directors also provide regular updates to the Board in relation to significant matters affecting subsidiaries of the Company.

The Company's Real Estate Division, operating under the Company's subsidiary Boustead Projects Limited, is listed separately on SGX-ST. It has its own board of directors that is responsible for the overall leadership, control and management of the division.

Board Committees

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 Nominating Committee, the Remuneration Committee and the Audit & Risk Committee, each of which has its own terms of reference that set out the authority and duties of each of the Board Committees.

A description of, among other things, composition and the terms of reference, and a summary of the activities of the respective Board Committees during FY2021 is set out in the sections on Principle 4 under "Board Membership" and Principle 5 under "Board Performance" (in respect of the Nominating Committee), the sections on Principle 6 under "Procedures for Developing Remuneration Policies" and Principle 7 under "Level and Mix of Remuneration" (in respect of the Remuneration Committee), and the sections on Principle 9 under "Risk Management and Internal Controls" and Principle 10 under "Audit & Risk Committee" (in respect of the Audit & Risk Committee).

Board Meetings

The Board conducts a minimum of two scheduled meetings a year. This schedule is normally determined during the fourth quarter of each calendar year for the forthcoming financial year to allow directors to plan for attendance at these meetings. Where necessary, additional Board meetings are also held to address significant transactions or issues that arise.

Board papers and related materials are sent to the Board or Board Committee members in advance of each meeting. This allows them to prepare for the meetings and to enable discussions to focus on any questions or issues that they may have or identify.

During the scheduled meetings, Management will typically provide the Board with an update on the Group's business and operations in the relevant half-year period and the financial performance for that period, and any other significant matters or issues that may have arisen. This allows the Board to develop a better understanding of the progress of the Group's business and operations as well as the issues and challenges facing the Group and promotes active engagement with Management.

Unless a director is required to recuse himself/herself from the deliberations and abstain from voting on the matter due to a potential conflict of interest, all directors will participate in the discussions and deliberations at Board and Board Committee meetings. To facilitate attendance and participation, a director who is not able to attend a Board or Board Committee meeting in person is permitted by the Company's Constitution to participate by way of telephone and video-conference.

Corporate Governance

The Board and Board Committees may also make decisions by way of resolutions in writing. In such situations, resolutions in writing will be circulated to all directors for their consideration and approval. Management will, where necessary, reach out to the directors to provide any explanation or other information required for the directors to deliberate on the matter before approving such written resolutions.

The Board requires directors to be able to commit sufficient time and attention to the affairs of the Board and their relevant Board Committees. A discussion of the procedure for assessing the directors' commitment to the Company is set out in the section "Assessment of Directors' Commitment" in respect of Principle 4 under "Board Membership".

During FY2021, a total of two formal Board meetings, two formal Audit & Risk Committee meetings, one formal Nominating Committee meeting and one formal Remuneration Committee meeting were held. The Board and Audit & Risk Committee members also had several informal discussions on various issues relating to corporate strategy, risk management and specific significant matters during this period.

The attendance of the directors at scheduled regular Board and Board Committee meetings during FY2021 was as follows:

Name of Director	Board		Audit & Risk Committee		Nominating Committee		Remuneration Committee	
	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended	No. Held	No. Attended
Wong Fong Fui	2	2	-	-	1	1	-	-
Wong Yu Loon	2	2	-	-	-	-	-	-
Dr Tan Khee Giap	2	2	2	2	1	1	1	1
Chong Ngien Cheong ⁽¹⁾	2	2	2	2	1	1	1	1
Godfrey Ernest Scotchbrook	2	2	2	2	-	-	1	1
Liak Teng Lit	2	2	2	2	-	-	-	-

⁽¹⁾ Mr Chong Ngien Cheong has expressed his intention to step down from his position as director after the conclusion of the Annual General Meeting to be held on 28 July 2021, and he will consequently cease as Chairman of the Nominating Committee, member of the Audit & Risk Committee and member of the Remuneration Committee thereafter.

Access to Information

The Board recognises that it is essential to provide complete and adequate information on Group affairs and material events and transactions on a timely and on-going basis to the directors, to enable the directors to discharge their duties and responsibilities and make decisions based on relevant and up-to-date information.

The Board is regularly provided with management reports and updates relating to the Group's business and operations and financial information, including management accounts of the Group's performance, position and prospects on a quarterly basis. As noted above in the section "Board Meetings" above, Board papers and related materials (including, where appropriate, relevant background or explanatory information, financial analysis and/or external reports) are also provided to the Board in advance of the relevant Board or Board Committee meeting. Directors have unrestricted access to the Company's records and information, and are entitled to request from Management and be provided with additional information as needed to make informed decisions.

Management will attend Board and Board Committee meetings to provide any other information required by the Board or the relevant Board Committee, and to answer any queries from the directors. Management may also communicate with the directors outside of formal Board and Board Committee meetings as appropriate through other means, such as electronic mail, telephone or video-conferencing, or separate physical meetings. Any requests by directors for further explanation, briefings or informal discussions on any aspect of the Group's operations are always attended to expeditiously by Management.

The directors also have separate and independent access to Management as well as the company secretary. In addition, where the directors require independent professional advice to facilitate the discharge of their duties and responsibilities, Management will facilitate the appointment of a professional advisor to render the advice to the Board and keep the Board informed of such advice. The cost of obtaining such professional advice will be borne by the Company.

Corporate Governance

Role of Company Secretary

The company secretary attends all Board meetings and is responsible for ensuring that Board procedures are followed. The company secretary ensures good information flow 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, and assisting with professional development as required. The company secretary, together with other management staff, is responsible for ensuring that the Company complies with the applicable requirements, rules and regulations.

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

Commitment to Sustainability

The Board is committed to ensuring the Company's longevity and sustainability, including reviewing its performance, policies and practices in relation to material environmental, social and governance ("ESG") topics. The Board is assisted in this by the Company's robust existing systems including audit, compliance, enterprise risk, financial, environmental, health and safety, human resource, information technology and operational management systems, along with the implementation of the Company's Longevity Reporting Framework (i.e. sustainability reporting framework). The Board also assesses opportunities and risks presented by material ESG topics, which helps the Board to determine the appropriate strategies, policies and practices that will provide the Company with the adaptability and flexibility to seize opportunities to deliver sustainable shared socio-economic value and progress to key stakeholders, while being well-supported by sound risk management. The Company's risk appetite considers material ESG topics that may affect reputational risk, ethical and moral considerations, and have significant financial and non-financial implications.

The Company releases an annual standalone Sustainability Report, of which the FY2021 report will be available on the Company's website by 31 August 2021. The report is prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option and contains the five primary components in compliance with Rule 711B of the Listing Manual of the SGX-ST.

Board Composition and Guidance

Principle 2 - The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Board Composition

As at the date of this Report, the Board members are:

Wong Fong Fui	Chairman & Group Chief Executive Officer
Wong Yu Loon	Executive Director & Deputy Group Chief Executive Officer
Dr Tan Khoo Giap	Independent Non-Executive Director
Chong Ngien Cheong	Independent Non-Executive Director
Godfrey Ernest Scotchbrook	Independent Non-Executive Director
Liak Teng Lit	Independent Non-Executive Director

Board Independence

As set out in the section "Board Composition" above, the Board currently comprises six directors, four of whom are independent non-executive directors. There is a strong and independent element on the Board with independent non-executive directors comprising a majority of the Board, and no individual or small group of individuals dominate the Board's decision-making. The Board is also able to exercise objective judgement on corporate affairs independently, in particular, from Management. This 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.

The Nominating Committee assesses the independence of each director annually in accordance with the guidance in the Code, the Practice Guidance and the SGX-ST Listing Manual. Based on the Code, the Nominating Committee considers an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. The Nominating Committee

Corporate Governance

also takes into account the existence of relationships or circumstances, including those identified by the Practice Guidance and the SGX-ST Listing Manual, in assessing the independence of a director. Such relationships or circumstances include the employment of a director by the Company or any of its related corporations during the financial year in question or in any of the previous three financial years, a director being on the Board for an aggregate period of more than nine years, the acceptance by a director of any significant compensation from the Company or any of its subsidiaries for the provision of services during the financial year in question or the previous financial year, other than compensation for board service, and a director being related to any organisation to which the Company or any of its subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services during the financial year in question or the previous financial year.

To facilitate the assessment of the independence of the directors, each director is 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 Nominating Committee has reviewed the independence of each of the current directors taking into account the guidance in the Code, the Practice Guidance and the SGX-ST Listing Manual, and is satisfied that apart from Mr Wong Fong Fui and Mr Wong Yu Loon, all of the other directors are independent.

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.

Board Diversity

Provision 2.4 of the Code provides, among other things, that the Board is to be of an appropriate size and comprises directors who as a group provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate, and further that the board diversity policy and progress made towards implementing the policy, including objectives, are disclosed in the annual report.

As at the date of this Report, while the Board has not adopted a formal board diversity policy, which is a variation from Provision 2.4, the Board recognises the importance of having a Board comprising persons whose diverse skills, knowledge, experience and attributes provide for effective direction for the Group. On gender diversity, although the Board does not currently have a female member, the Board does consider gender as an important aspect of diversity alongside factors such as the age, ethnicity and educational background of its members.

Considering the nature and scale of the Group's business as well as the constantly evolving nature of business and industry conditions, the Board is satisfied that the size and composition of the Board and its Board Committees are appropriate at present and the current directors have vast business and management experience and varied qualifications and expertise in the areas of finance, accounting, business management and industry knowledge, with varying age profiles. Gender diversity will be an important criterion under consideration when a vacancy on the Board is to be filled in future.

Taking into account that four out of the six directors are independent non-executive directors and also the varied skills, knowledge and experience of the directors, the Board is of the view that the current Board composition is sufficiently diverse to avoid groupthink and foster constructive debate and that, consistent with the broad principle behind Principle 2 of the Code, the current Board has an appropriate level of independence and diversity of thought and background to enable it to make decisions in the best interests of the Company.

The Board will review its composition from time to time and will seek to maintain a diversity of skills, knowledge, experience, gender, age, ethnicity and other attributes of the directors. Further, the Board will consider adopting a formal board diversity policy at an appropriate juncture in due course.

Corporate Governance

Non-Executive Directors

The non-executive directors of the Company, who are also independent, constructively challenge and assist in the development of 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 a transparent one.

To facilitate a more effective check on Management, non-executive directors meet at least once a year without the presence of Management. When necessary, the non-executive directors also meet separately prior to Board meetings. The chairman of such meetings provides feedback to the Board and/or the chairman of the Board, as appropriate. During FY2021, the non-executive directors met at least once without the presence of Management.

Chairman and Managing Director/Chief Executive Officer

Principle 3 - There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

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

As Chairman, Mr Wong Fong Fui leads the Board to ensure effectiveness in all aspects of its roles. The company secretary, in consultation with the Chairman, schedules and prepares the agenda for Board meetings. Management staff who have prepared the board papers or who may provide additional insights are invited to present the papers or attend the Board meetings. The Chairman ensures that sufficient time is allocated for discussion of all agenda items, particularly issues relating to strategy, and ensures that directors are provided with adequate and timely information. He promotes an open environment for debate and ensures that discussions and deliberations are effective. The Chairman is also charged with the role of maintaining high standards of corporate governance and ensuring effective communication between the Board and the shareholders of the Company.

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, more than 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.

Board Membership

Principle 4 - The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Nominating Committee

The Nominating Committee comprises three directors, two of whom, including the Chairman of the Nominating Committee, are independent. As at the date of this Report, the members of the Nominating Committee are:

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

Terms of Reference

The objectives of the Nominating Committee are to provide a formal, transparent and objective procedure for appointing Board members and to recommend for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by each individual director to the Board. According to the written terms of reference of the Nominating Committee, read together with the Code, the principal functions of the Nominating Committee include:

- (a) reviewing and recommending candidates for appointments to the Board and Board Committees (excluding the appointment of existing members of the Board to each of the Audit & Risk Committee, Nominating Committee and Remuneration Committee for the purposes of the initial establishment of such Board Committees), as well as candidates for senior management staff, who are not also candidates for appointment to the Board;

Corporate Governance

- (b) reviewing of board succession plans for the directors, in particular, the Chairman and the Chief Executive Officer;
- (c) developing a process for the evaluation of the performance of the Board, the Board Committees and the directors;
- (d) reviewing of training and professional development programmes for the Board;
- (e) reviewing and recommending directors for re-appointment or re-election;
- (f) reviewing and recommending candidates to be nominees on the boards and board committees of the listed companies and entities within the Group;
- (g) determining the independence of the directors;
- (h) 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
- (i) undertaking generally such other functions and duties as may be required by law or the SGX-ST Listing Manual, and by amendments made thereto from time to time.

During FY2021, the activities of the Nominating Committee included reviewing and recommending nomination for re-appointment or re-election or renewal of appointment of directors, and determining the independence of the directors.

Selection of New Directors

The Board has put in place a process for the selection and appointment of new directors.

The Nominating Committee will assess candidates and make a recommendation to the Board for appointment as directors. As part of such assessment process, the Nominating Committee will review the expertise, skills and attributes of the current directors on the Board, identify its future needs and shortlist candidates with the appropriate profiles for nomination. Knowledge of the Group's business industries and corporate governance practices, and prior experience as a listed entity director in Singapore, are, among other things, the criteria used to identify and evaluate the potential new directors. The search may be conducted through professional recruiters, as well as various contacts and recommendations. The objective of this process is to seek to maintain a diversity of skills, knowledge, experience, gender, age, ethnicity and other attributes necessary to effectively meet the needs of the Company.

Shortlisted candidates would be required to furnish their curriculum vitae stating in detail their qualification, working experience and employment history. In addition, they may be required to complete certain prescribed forms to enable the Nominating Committee to assess the candidate's independence, if applicable. The Nominating Committee interviews each prospective candidate with appropriate profile to assess suitability and to ensure that the candidates are aware of the expectation and commitment required and makes recommendations to the Board for approval and adoption.

Re-Nomination of Directors

Under the Company's Constitution, one-third of the directors who are longest-serving (excluding the Managing Director or a director holding an equivalent position) are required to retire from office every year at the Annual General Meeting ("AGM"). 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.

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 competencies, attendance, participation, contribution and competing commitments when deciding whether to recommend that director for re-election.

Pursuant to Article 94 of the Company's Constitution, Mr Wong Yu Loon and Mr Liak Teng Lit shall be retiring at the AGM to be held on 28 July 2021 (the "2021 AGM"). At the recommendation of the Nominating Committee, Mr Wong Yu Loon and Mr Liak Teng Lit will be seeking re-election at the forthcoming AGM. If re-elected, Mr Liak Teng Lit will remain as a member of the Audit & Risk Committee.

Corporate Governance

The Nominating Committee has considered the performance and contribution of Mr Wong Yu Loon and Mr Liak Teng Lit and recommended to the Board their re-election as directors at the 2021 AGM. The Board has concurred with the Nominating Committee to recommend their re-election as directors at the 2021 AGM.

Please see the relevant details of Mr Wong Yu Loon and Mr Liak Teng Lit, each of whom is standing for re-election as a director at the forthcoming AGM, 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 Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST” below.

Mr Chong Ngien Cheong will be stepping down voluntarily as an Independent Non-Executive Director of the Company after the conclusion of the 2021 AGM, and he will consequently cease as Chairman of the Nominating Committee, member of the Audit & Risk Committee and member of the Remuneration Committee thereafter. The Board of Directors would like to record its thanks to Mr Chong Ngien Cheong for his contributions during his tenure and will take the necessary steps to fill the appointments vacated by Mr Chong after his departure.

Assessment of Independence

As noted under the section on Principle 2 under “Board Independence”, the Nominating Committee assesses annually whether or not a director is independent in accordance with the guidance in the Code, the Practice Guidance and the SGX-ST Listing Manual.

To facilitate this process, directors are required disclose, among other things, their relationships with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the directors’ independent business judgement in the best interests of the Company. An independent director shall notify the Nominating Committee immediately, if as a result of a change in circumstances, he no longer meets the criteria for independence. The Nominating Committee shall review the change in circumstances and make its recommendations to the Board.

The Nominating Committee has reviewed the independence of each director in accordance with the guidance in the Code, the Practice Guidance the SGX-ST Listing Manual and is satisfied of the independence of the independent directors, i.e. Dr Tan Khoo Giap, Mr Chong Ngien Cheong, Mr Godfrey Ernest Scotchbrook and Mr Liak Teng Lit, who collectively comprise a majority of the Board.

Assessment of Directors’ Commitment

The Nominating Committee assesses annually whether a director is able to and has been adequately carrying out his or her duties and responsibilities as a director and, in particular, whether a director who serves on multiple boards is able to commit the necessary time and attention to serve on the Board. In performing its review, the Nominating Committee will consider factors that include:

- (a) the respective director’s preparation for and participation at Board meetings;
- (b) the assessment of the effectiveness of the individual director; and
- (c) the assessment of the time and attention given by each director to the affairs of the Company and the Group.

The Nominating Committee has not imposed a limit on the maximum number of listed company board representations and/or other principal commitments which any director may hold at this point of time. The Nominating Committee recognises that the time and attention that each director can devote to the Company depends on many factors that may vary from individual to individual, and believes the imposition of a limit may not be meaningful. Instead, the Nominating Committee assesses holistically, and on a case-by-case basis, whether a director is able to carry out, and has been adequately carrying out, his or her duties and responsibilities as a director taking into account, among other things, the factors mentioned above.

Consistent with the principle that each director is expected to be able to, and to adequately, carry out his or her duties as a director, the Board does not encourage the appointment of alternate directors. No alternate director was appointed to the Board during FY2021.

Corporate Governance

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	-	-
Dr Tan Khee Giap	Independent Non-Executive Director	28 June 2018	25 August 2020	Amcorp Global Limited Lian Beng Group Ltd	BreadTalk Group Limited
Chong Ngien Cheong	Independent Non-Executive Director	23 May 1996	27 July 2019	-	-
Godfrey Ernest Scotchbrook	Independent Non-Executive Director	21 September 2000	25 August 2020	Convenience Retail Asia Ltd Del Monte Pacific Limited	-
Liak Teng Lit	Independent Non-Executive Director	1 April 2020	25 August 2020	-	-

Please also refer to the sections “Board of Directors” on pages 62 to 63, and the section “Additional Information on Directors Seeking Re-election Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST” on pages 100 to 104, of the Annual Report 2021 for information on other principal commitments of the directors.

The Nominating Committee is of the view that, during FY2021, the directors have devoted sufficient time and attention to the affairs of the Company and have been able to discharge their duties and responsibilities as directors effectively. The Nominating Committee has also reviewed and is satisfied that none of the directors held such a significant number of listed company directorships and other principal commitments as to potentially affect their ability to serve on the Board and, in particular, that those directors who hold multiple listed company directorships and other principal commitments have devoted sufficient time and attention to the affairs of the Company and adequately discharged their duties and responsibilities as directors of the Company during FY2021.

Corporate Governance

Board Performance

Principle 5 - The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Assessment of Composition and Skill Set of the Board

As part of the formal annual assessment of the effectiveness of the Board as a whole, and in addition to the annual assessment of the Board and the Board Committees as described in the section "Evaluation Process and Criteria" below, the Nominating Committee reviews on an annual basis the composition and skill set of the Board to determine whether it is adequate and appropriate having regard to the nature and scope of the Company's operations.

The Nominating Committee is of the view that the primary aim of this annual evaluation of the Board is to assess whether the Board as a whole continues to perform effectively. This exercise also provides 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.

Replacement of a director, when it happens, does not necessarily reflect the director's performance or contributions to the Board, but may be driven by the need to align the skill sets of the directors on the Board with the medium or long-term needs of the Group.

Evaluation Process and Criteria

The Board, based on the recommendation of the Nominating Committee, adopts a formal process with objective performance criteria for the annual evaluation of the effectiveness and performance of the Board and the Board Committees as a whole.

In relation to the evaluation of the Board, the 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.

In relation to the evaluation of the Board Committees, the assessment parameters include the standard of conduct of each Board Committee, its structure and reporting process to the Board.

The evaluation process of the Board and the Board Committees involves the directors completing the relevant evaluation forms which are designed to incorporate the assessment parameters referred to above. The company secretary will summarise the results of all the evaluations and present it to the Nominating Committee for review. Areas where the Board's performance and effectiveness could be enhanced and recommendations for improvement will be discussed by the Board and, where appropriate, implemented.

The Nominating Committee has conducted an evaluation of the Board and the Board Committees in respect of FY2021. No external facilitator was engaged for the purpose of these evaluations as the Nominating Committee and the Board are of the view that the current evaluation process is adequate. Moving forward, where appropriate, the Board will consider such engagement.

Based on such evaluation, the Nominating Committee and the Board are satisfied with the performance and effectiveness of the Board and the Board Committees as a whole for FY2021. For future Board evaluations, the Nominating Committee will seek to add the evaluation of individual directors, covering both self-evaluation and peer evaluation, taking into account numerous factors, including the directors' attendance, participation and contribution at the Board and various Board Committee meetings.

Corporate Governance

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6 - The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Level and Mix of Remuneration

Principle 7 - The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Disclosure on Remuneration

Principle 8 - The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration Committee

The Remuneration Committee comprises three non-executive directors, all of whom, including the Chairman of the Remuneration Committee, are also independent. As at the date of this Report, the members of the Remuneration Committee are:

1. Godfrey Ernest Scotchbrook, Chairman (Independent Non-Executive Director)
2. Chong Ngien Cheong (Independent Non-Executive Director)
3. Dr Tan Khee Giap (Independent Non-Executive Director)

Terms of Reference

According to the written terms of reference of the Remuneration Committee, read together with the Code, the Remuneration Committee is authorised to, among other things, provide a formal, transparent and objective procedure for developing policies on director and executive remuneration, as well as for fixing the remuneration packages of individual directors and key management personnel. The Remuneration Committee also implements and administers the Boustead Restricted Share Plan 2011 ("2011 Share Plan") (on which further information is set out in the section "Boustead Restricted Share Plan 2011" below).

The Remuneration Committee recommends for the Board's endorsement, a framework of remuneration which covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, benefits-in-kind and termination terms, as well as specific remuneration packages, for the Board and key management personnel.

The Remuneration Committee, with recommendation from Management, will put forward the list of employees and the amount of share awards to be granted under the 2011 Share Plan to the Board for endorsement.

The Remuneration Committee also reviews the Company's obligations arising in the event of termination of the service contracts of executive directors and key management personnel, to ensure that they contain fair and reasonable termination clauses.

No director, including the members 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.

In carrying out its terms of reference, the Remuneration Committee has direct access to the Company's Senior Vice-President, Group Human Resources, should they have any queries on human resources matters. The Remuneration Committee may also obtain independent external legal and other professional advice as it deems necessary. The expenses of such advice will be borne by the Company. The Remuneration Committee did not appoint any remuneration consultants in FY2021 but has had the benefit of relevant data from market surveys carried out by leading firms of compensation consultants.

During FY2021, the activities of the Remuneration Committee included making recommendations to the Board on the framework of remuneration for the Board and key management personnel and the specific remuneration packages for each director as well as for the key management personnel.

Corporate Governance

Remuneration Policy and Framework

From a broad perspective, the remuneration policy and framework for fixing directors' fees, executive directors and the key management personnel remuneration adopted by the Company are designed with a view to paying competitive remuneration to attract, retain and motivate the directors to provide good stewardship of the Company and the key management personnel to successfully manage the Company for the long term. Specifically, the remuneration policy and framework aims to motivate directors and key management personnel to exert their best efforts to work towards the growth of the Group, the improvement of the Company's performance and the protection and promotion of the interests of all shareholders, and takes into consideration the long-term interests of the Group and ensures that the interests of the directors and key management personnel are aligned with those of shareholders. The remuneration policy and framework also aim to ensure that independent directors are not overly-compensated to the extent that their independence may be compromised. The directors' fees are recommended by the Remuneration Committee and endorsed by the Board for approval by the shareholders of the Company at AGMs.

Remuneration of Non-Executive Directors

The remuneration of the non-executive directors is in the form of a fixed fee. The directors' fees payable to the non-executive directors are determined in accordance with their level of contribution, taking into account factors such as effort, time spent and responsibilities for serving on the Board and Board Committees. The directors' fees paid to non-executive directors also take into consideration their roles and responsibilities and existing market practice. The payment of fees to non-executive directors is subject to the approval of the Company at each AGM.

Apart from the fixed fees described above, the non-executive directors are also eligible to participate in the 2011 Share Plan. The Board believes that allowing non-executive directors to participate in the 2011 Share Plan will give them a stake in the Company while providing the Company with additional flexibility in compensating them for their services, and enabling the Company to attract and retain experienced and qualified individuals from a wide range of professional backgrounds to join the Company. No shares have been awarded to non-executive directors under the 2011 Share Plan to date. A description of the 2011 Share Plan is set out in the section "Boustead Restricted Share Plan 2011" below.

In FY2021, the framework for the remuneration of non-executive directors is as follows:

	Fee per Annum
Board Member	S\$30,000
Chairman of the Board	S\$20,000
Audit & Risk Committee	
Chairman	S\$30,000
Member	S\$15,000
Nominating Committee	
Chairman	S\$10,000
Member	S\$5,000
Remuneration Committee	
Chairman	S\$10,000
Member	S\$5,000

Corporate Governance

Information on the directors' fees of non-executive directors for FY2021 is set out in the section "Remuneration of Non-Executive Directors for FY2021" below.

Remuneration of Executive Directors and Management

Executive directors do not receive directors' fees but are remunerated as members of Management. The Remuneration Committee conducts an annual review to ensure that the remuneration of the executive directors is commensurate with their performance and that of the Company. In structuring the compensation framework, the Remuneration Committee also takes into account their contributions as well as the financial performance conditions, which include both quantitative and qualitative targets that have been achieved during the year.

The remuneration package of the executive directors and the key management personnel comprises primarily a mix of a fixed component and a variable component. A significant and appropriate portion of remuneration of executive directors and key management personnel is structured as a variable component with a view to aligning Management remuneration with the interests of shareholders and other stakeholders, and to link rewards to corporate and individual performance so as to promote the long-term sustainability and success of the Group.

The fixed component is in the form of a base salary which is determined based on various criteria, including the individual's role and responsibilities, experience and competencies as well as performance and market competitiveness. This is approved by the Board based on the Remuneration Committee's recommendations and reviewed annually.

The variable component is in the form of an annual variable performance bonus that is linked to the Group's corporate performance and individual performance. Specifically, the remuneration of certain Management is linked directly to the Group's financial performance through a profit-sharing formula as well as individual key performance indicators.

Complementing the fixed and variable components of the remuneration package described above is the long-term incentive in the form of share awards that can be granted under the 2011 Share Plan. This long-term incentive is applicable only to selected employees whose role and services have been identified to be of significant importance to the performance and growth of the Company. Such long-term incentives would give recognition to these selected employees and promote commitment, dedication and loyalty to the Group. There was no grant of share awards to eligible employees for FY2021. A description of the 2011 Share Plan is set out in the section "Boustead Restricted Share Plan 2011" below.

Information on the remuneration paid to the executive directors and certain other key management personnel for FY2021 is set out in the section "Remuneration of Key Management Personnel for FY2021" below.

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.

Remuneration of Non-Executive Directors for FY2021

The aggregate directors' fees paid to the non-executive directors for FY2021 amounted to approximately S\$256,000, details of which are set out below:

Name of Director	Directors' Fee	Total
	S\$'000	S\$'000
Dr Tan Khee Giap	76	76
Chong Ngien Cheong	66	66
Godfrey Ernest Scotchbrook	65	65
Liak Teng Lit	49	49

The payment of directors' fees of up to S\$272,000 for FY2021 was approved by shareholders as a lumpsum at the AGM held on 25 August 2020.

Corporate Governance

Remuneration of Executive Directors and Key Management Personnel for FY2021

The remuneration of the key management personnel, including the executive directors, for FY2021 in bands of S\$250,000 are set out below:

Name	Salary	Bonus	Fees	Other Benefits	Total
Executive Directors					
S\$500,000 to S\$749,999					
Wong Fong Fui	40%	54%	-	6%	100%
S\$250,000 to S\$499,999					
Wong Yu Loon	72%	21%	-	7%	100%
Key Management Personnel					
S\$1,000,000 to S\$1,249,999					
Brett John Bundock	41%	55%	-	4%	100%
S\$750,000 to S\$999,999					
Lim Swee Hong, Samuel	33%	63%	-	4%	100%
S\$500,000 to S\$749,999					
Thomas Chu Kok Hong	72%	21%	-	7%	100%
S\$250,000 to S\$499,999					
Wong Yu Wei	58%	34%	-	8%	100%
Mark Billing	69%	29%	-	2%	100%

The total remuneration paid to the above five key management personnel, other than the executive directors, for FY2021 was approximately S\$3,563,000.

The Board has, after careful deliberation, decided to disclose the remuneration of the Chairman and Group Chief Executive Officer, Mr Wong Fong Fui, and Executive Director and Deputy Group Chief Executive Officer, Mr Wong Yu Loon, for FY2021 in remuneration bands of S\$250,000 and by a percentage breakdown in terms of categories and components, instead of disclosing the exact remuneration. This is a variation from Provision 8.1(a) of the Code which provides, among other things, that the amounts of remuneration of each individual director and the CEO are disclosed in the annual report.

The Board notes that this Report has disclosed the procedure for developing policies on director and executive remuneration (under the section “Terms of Reference”), the overall remuneration policy and framework (under the section “Remuneration Policy and Framework”), as well as the specific remuneration policy and framework applicable to non-executive directors and executive directors and Management (under the sections “Remuneration of Non-Executive Directors” and “Remuneration of Executive Directors and Management”). The disclosure of such information, together with the executive directors’ remuneration in bands of S\$250,000 with a breakdown of the level and mix of the remuneration in the above table, provide shareholders with sufficient insight into the compensation of the executive directors and is consistent with the intent of Principle 8.

There are no termination, retirement and post-employment benefits granted to the directors, the Chief Executive Officer or key management personnel.

Corporate Governance

Save for Mr Wong Yu Loon and Mr Wong Yu Wei, who are sons of Mr Wong Fong Fui, Chairman and Group Chief Executive Officer, there is no employee who is a substantial shareholder of the Company, or is an immediate family member of any of the directors, chief executive officer or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the financial year under review. Mr Wong Yu Loon and Mr Wong Yu Wei's remuneration for FY2021 is disclosed in bands of S\$250,000 with a breakdown on the level and mix of remuneration in the section "Remuneration of Executive Directors and Key Management Personnel for FY2021" table. This is a variation from Provision 8.2 of the Code which provides, among other things, that the remuneration of such employees be disclosed in bands no wider than \$100,000. The reasons for disclosing the remuneration of Mr Wong Yu Loon and Mr Wong Yu Wei in bands of S\$250,000 with a breakdown on the level and mix of remuneration are set out above, and such disclosure is consistent with the intent of Principle 8 for the same reasons as set out above.

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 eligible executive employees, non-executive directors of the Company as well as associates of controlling shareholders of the Company are invited to participate in the 2011 Share Plan. The selection of eligible participants in the 2011 Share Plan shall be determined at the absolute discretion of the committee appointed by the Board to administer the 2011 Share Plan. The participation of associates of controlling shareholders shall be approved by independent members of the Company. Further information on the 2011 Share Plan can be found on pages 72 and 191 of the Annual Report.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9 - The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board is responsible for the governance of risk and determines the Company's levels of risk tolerance and risk policies, and the extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. 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 legislation, 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 at least annually by the Audit & Risk Committee and the Board.

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. This will assist in safeguarding and creating shareholder value.

An Enterprise Risk Management ("ERM") framework is in place to formalise and document the Group's internal processes to enable significant strategic, financial, operational, compliance and information technology risks within the relevant Group companies to be identified, assessed, monitored, managed and evaluated. Management continues to regularly review the risk register 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.

Corporate Governance

Reviews of the Group's risk exposure are also conducted every quarter by the Audit & Risk Committee and overall assessment is also conducted at the end of each financial year.

Based on the internal controls policy and procedures established and maintained by the Group, the work performed by the external auditors and the reviews conducted by Management and the internal auditor, the Board, with the concurrence of the Audit & Risk Committee, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective to address financial, operational, compliance and information technology risks as at 31 March 2021.

In addition, the Audit & Risk Committee and the Board have received assurance from:

- (a) the Group Chief Executive Officer and the Group Chief Financial Officer that as of 31 March 2021, the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the Group Chief Executive Officer and other key management personnel that as of 31 March 2021, 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.

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the Audit & Risk Committee.

Audit & Risk Committee

Principle 10 - The Board has an Audit Committee ("AC") which discharges its duties objectively.

Audit & Risk Committee

The Audit & Risk Committee comprises four non-executive directors, all of whom, including the Chairman of the Audit & Risk Committee, are also independent. As at the date of this Report, the members of the Audit & Risk Committee are:

- 1. Dr Tan Khee Giap, Chairman (Independent Non-Executive Director)
- 2. Chong Ngien Cheong (Independent Non-Executive Director)
- 3. Godfrey Ernest Scotchbrook (Independent Non-Executive Director)
- 4. Liak Teng Lit (Independent Non-Executive Director)

All the members of the Audit & Risk Committee have recent and relevant accounting or related financial management expertise or experience.

As at the date of this Report, the Audit & Risk Committee does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

Corporate Governance

Terms of Reference

According to the written terms of reference of the Audit & Risk Committee, the principal functions of the Audit & Risk Committee include:

- (a) 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;
- (b) 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;
- (c) 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;
- (d) reviewing with external and internal auditors and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls system, including financial, operational, compliance and information technology controls (such review can be carried out internally or with the assistance of any competent third parties);
- (e) reviewing with internal auditors, the program, scope and results of the internal audit and Management's response to their findings to ensure that appropriate follow-up measures are taken;
- (f) reviewing the effectiveness of the internal audit function;
- (g) reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors;
- (h) reviewing with external auditors the impact of any new or proposed changes in accounting principles or regulatory requirements on the financial information;
- (i) 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;
- (j) reviewing the interested person transactions or the 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;
- (k) monitoring the 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;
- (l) reviewing filings with the SGX-ST or other regulatory bodies which contain the Company's financial information and ensure proper disclosure;
- (m) commissioning and reviewing the findings of internal investigations into matters where there is any suspected fraud or irregularity or 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;
- (n) reviewing policy and arrangements by which 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;
- (o) reviewing the risk management structure (including all hedging policies) and any oversight of the risk management processes and activities to mitigate and manage risk at acceptable levels determined by the directors;
- (p) reporting to the Board the work performed by the Audit & Risk Committee in carrying out its functions;
- (q) reviewing the co-operation given by officers to the external auditors; and
- (r) performing any other act as delegated by the Board and approved by the Audit & Risk Committee.

Corporate Governance

In performing its functions, the Audit & Risk Committee will also:

- (a) review at least annually the adequacy and effectiveness of the Company's risk management systems;
- (b) review the assurance from the Group Chief Executive Officer and the Group Chief Financial Officer on the financial records and financial statements;
- (c) review the adequacy and independence of the Company's internal audit function; and
- (d) review the adequacy of the external audit.

The Audit & Risk Committee is authorised to investigate any matter within its written terms of reference, and has full access to and co-operation of Management. It is given access to 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.

Through annual updates from Management and the external auditors, the Audit & Risk Committee is kept abreast of changes to accounting standards, the Listing Manual of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

The Audit & Risk Committee members also keep themselves updated through relevant publications and by attending relevant seminars and courses.

During FY2021, the activities of the Audit & Risk Committee included reviewing the audit plans with external and internal auditors, the scope and results of the external audit, and the independence and objectivity of the external auditors, and the adequacy and effectiveness of the Company's internal controls and risk management systems.

External Auditor

The Board is responsible for the initial appointment of the external auditor. Shareholders then approve the appointment at the AGM of the Company. The external auditor holds office until its removal or resignation. The Audit & Risk Committee assesses the external auditor based on the requirements of the SGX-ST Listing Manual as well as other factors such as the performance and quality of its audit and the independence and objectivity of the auditor, and recommends its appointment to the Board.

The Audit & Risk Committee has undertaken a review of the nature and value of all non-audit services provided to the Group by the current external auditors during FY2021 and is satisfied that the independence of the external auditors has not been affected by the provision of these services. The audit fees and non-audit fees paid or payable to the external auditors for FY2021 are set out below:

	S\$'000	% of Total Fees Paid
Audit fees	536	96
Non-audit fees	20	4
Total fees	556	100

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 the external auditor.

Corporate Governance

The Audit & Risk Committee has also reviewed the Group's audited consolidated financial statements for FY2021 and discussed with Management and the external auditor the following significant matter which involved management judgment:

Significant matter	How the Audit & Risk Committee reviewed this matter and what decisions were made
Revenue recognition of Engineering & Construction contracts under the Real Estate segment	<p>The Audit & Risk Committee reviewed the revenue recognition of Engineering & Construction contracts under the Real Estate segment and considered management's judgments, assumptions and methodologies used and found them to be reasonable.</p> <p>The revenue recognition of Engineering & Construction contracts under the Real Estate 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 2021. Refer to page 106 of this Annual Report.</p>

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. To support the Audit & Risk Committee in their role, the Audit & Risk Committee decides on the appointment, selection, termination and remuneration of experienced and qualified in-house personnel as internal auditor to carry out the internal audit function for the Group and the primary reporting line of the internal audit function is to the Audit & Risk Committee Chairman.

The role of the internal audit function is to provide independent assurance to the Audit & Risk Committee that the Company maintains a sound system of internal controls. The internal audit function adopts a risk-based approach to evaluate the adequacy and effectiveness of key controls and procedures when performing audits of high-risk areas. It also undertakes investigations as directed by the Audit & Risk Committee.

Annually, the Audit & Risk Committee will review and approve audit plans and the resource requirement prepared by the internal auditor and shall ensure that the internal auditor is able to effectively and adequately discharge his duties. The Company's internal audit function is performed by the Internal Audit Department, headed by the Senior Vice-President, Internal Audit.

The Internal Auditor 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 his duties and responsibilities, and has appropriate standing within the Company.

The Audit & Risk Committee is satisfied that the internal audit function is adequately resourced and independent of the activities it audits, and is carried out by suitably qualified and experienced professionals with the relevant experience.

The Company engages external experts as when and where required.

The internal audit work is carried out 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 that it is independent, effective and adequately resourced.

The Audit & Risk Committee meets at least once a year with the external auditors, and with the internal auditors, in each case, without the presence of Management.

Corporate Governance

Whistleblowing Policy

The Group is committed to meeting a high standard of ethical conduct in the conduct of the Group's operations, and has put in place a Whistleblowing Policy. The objective of the Whistleblowing Policy is to facilitate independent investigation of such matters and appropriate follow-up actions.

The Whistleblowing Policy, endorsed by the Audit & Risk Committee, provides for a mechanism by which employees of the Group and third parties may, in good faith and in confidence, raise concerns or observations about possible corporate malpractice and impropriety in financial reporting or other matters directly to the Chairman of the Audit & Risk Committee, the Senior Vice-President, Internal Audit or the Senior Vice-President, Group Human Resources.

The policy framework ensures independent investigation of issues or concerns raised and implementation of appropriate follow-up action, and provides assurance that employees will be protected from reprisal within the limits of the law. The Whistleblowing Policy and the avenues for reporting are made available to employees of the Group and third parties, and are also available on the Company's website. The Senior Vice-President, Internal Audit is required to report to the Audit & Risk Committee every quarter whether they have received any whistleblower report in that quarter.

There were no reported incidents pertaining to whistleblowing during the year under review.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11 - The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

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, half-yearly 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 Notice of AGM, along with related information, is sent to every shareholder. The Notice of AGM is also published in the press. Shareholders are also informed in writing that a soft copy of the Annual Report is available for download from the Company's corporate website at www.boustead.sg.

Conduct of General Meetings

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 Company's Constitution currently permits shareholders who are unable to attend general meetings in person to vote by way of proxy. Specifically, each shareholder is allowed 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 shareholder which is 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. A "relevant intermediary" includes corporations holding licences in providing nominee and custodial services and the CPF Board where it purchases shares on behalf of the CPF investors.

Corporate Governance

To safeguard shareholders' interest, separate resolutions are proposed on each substantially separate issue at the general meetings of shareholders, unless the issues are interdependent and linked so as to form one significant proposal. All the resolutions at general meetings are in single item resolutions. Where the resolutions are combined, the Company will explain the reasons and material implications in the notice of meeting. Detailed information of the resolutions in the Notice of AGM is provided in the explanatory notes to the Notice of AGM in the Annual Report.

All resolutions at general meetings of the Company are voted by poll as required by Rule 730A(2) of the SGX-ST Listing Manual. The detailed results of the electronic poll voting on each resolution tabled at general meetings, including the total number of votes "for", "against" or "abstain" in relation to each resolution tabled, are announced immediately at the general meetings and via SGXNET thereafter.

Shareholders are 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. During FY2021, the AGM of the Company held on 25 August 2020 was the only general meeting that was held, and all the directors of the Company attended the meeting.

The Company's usual practice is that the company secretary prepares minutes of general meetings, which incorporate substantial and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and Management. The Company publishes minutes of its general meetings on its corporate website as soon as practicable.

Without prejudice to the foregoing, pursuant to the requirement of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the Company will be publishing the minutes of the forthcoming AGM to be held by electronic means on 28 July 2021 within 1 month after the AGM on SGXNET and its corporate website.

In view of the COVID-19 control measures in place within Singapore under the COVID-19 (Temporary Measures) Act 2020 and subsidiary legislation, such as the COVID-19 (Temporary Measures) (Control Order) Regulations 2020, physical attendance of shareholders at the Company's AGM is prohibited, and general meetings may only be conducted by way of electronic means pursuant to the Order or held in accordance with existing law or legal instrument, if doing so would not breach prevailing safe management measures. It is presently uncertain when the COVID-19 control measures may be lifted, and when the COVID-19 outbreak will fully stabilise within Singapore. In the interest of transparency and accountability, and taking these factors into account, the Board is of the view that the Company should proceed with its AGM for FY2021 by electronic means on 28 July 2021. The Board is satisfied that the alternative means for shareholders to submit questions are adequate to provide shareholders with the necessary oversight regarding the Company's operations.

Dividend Policy

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on, among other things, the Company'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. However, subject to the above, it is the Company's aim to declare and pay sustainable dividends and the Company has been declaring dividends on a half-yearly basis.

In light of Boustead Industrial Fund's value-unlocking transaction one-off gain and subsequent special dividend proposed by the Boustead Projects board of directors, along with the Group's improved profitability from core businesses and strong cash position, the Board has recommended a final tax exempt one-tier dividend of 3.0 Singapore cents per ordinary share and a special tax exempt one-tier dividend of 4.0 Singapore cents per ordinary share for FY2021. The Company will be seeking the approval of shareholders at the forthcoming AGM to be held for the declaration of the said proposed dividends.

Corporate Governance

Engagement with Shareholders

Principle 12 - The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

The Company provides avenues for communication between the Board and all shareholders. The AGM is the principal forum for dialogue with shareholders. Shareholders are encouraged to participate effectively and vote at general meetings, where relevant rules and procedures governing such meetings are clearly communicated.

All material information on the performance and development of the Group and of the Company is disclosed in an accurate, clear, comprehensive, consistent, sincere, timely and transparent manner through company announcements released over SGXNET, media releases and the Company's website. The Company does not practice selective disclosure of material information. All materials on the half-year and full-year financial results are available on the Company's website and are accompanied by a media release in English.

The Company has a dedicated Investor Relations ("IR") Team which focuses on facilitating the communications with key stakeholders – institutional and retail shareholders, analysts and media – on a regular basis, to attend to their queries or concerns, as well as keep key stakeholders or the public informed of the Group's corporate developments and financial performance, in a balanced manner on both positive and negative matters. Communication activities include investor conferences, meetings, presentations, media interviews and investor outreach programmes to share business strategies and financial performance.

The Company has instituted an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. The Company is committed to the accurate, clear, comprehensive, consistent, sincere, timely and transparent disclosure of material information, having a dedicated IR Team which focuses on facilitating communications with shareholders and other stakeholders and the carrying out of regular communications and outreach activities as described above. For details on the Group's IR activities in FY2021, please refer to the Stakeholder Relations on pages 66 to 67 of this Annual Report.

Further, to enable shareholders to contact the Company easily, the contact details of the IR Team are set out on all announcements and media releases, as well as on the Company's website. The IR Team has procedures in place for responding to investors' queries as soon as applicable.

Taking into account the foregoing, the Company is of the view that the practices adopted by the Company are consistent with the intent of Principle 12.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13 - The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Managing Stakeholders' Relationships

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups, which forms part of its sustainability practices. The Company defines key or material stakeholders as being groups that its businesses may have a significant impact on or vice versa, and who have a vested interest in the way it conducts its business. The Company deems stakeholder relations to be important for the sustainable growth of its businesses, and a common consideration for the Company is whether a specific business expansion can provide sustainable profit and simultaneously also create sustainable socio-economic shared value for as many key stakeholders in as many economic and ESG facets as possible.

Accordingly, the Company seeks to maintain an open and transparent dialogue with its key stakeholders. The Company regularly engages its stakeholders through various platforms and channels to ensure that its business interests are aligned with those of the stakeholders, to understand and address their concerns so as to improve product, service and solution standards, as well as to sustain business operations for long-term growth and longevity. Stakeholders identified by the Company include the Board, Management, shareholders, team members, clients, strategic partners, suppliers, lenders, investors, media, government and regulators, and local communities.

Corporate Governance

The Company has identified the material ESG topics of relevance to its key stakeholders (i.e. the Company's business model, strategies and outlook; corporate governance; smart eco-sustainable solutions; quality and transformation; economic performance; business ethics; data and information security; talent acquisition, development, management and retention; succession planning; health and safety; environment as well as legal and regulatory compliance) taking into account stakeholders' views, needs and interests, and periodically reviews these on an ongoing basis. The Board oversees the management and monitoring of these matters as part of the Company's sustainability practices.

As a commitment to its key stakeholders, the Company will disclose its strategy, practices and performance on these material ESG matters in its fourth Longevity Report (Sustainability Report), which will be available on the Company's website by 31 August 2021.

Corporate Website

The Company maintains a current corporate website at www.boustead.sg, to communicate and engage with key stakeholders. The Company's corporate website contains various information pertaining to the Group and the Company which serves as an important resource for investors and all key stakeholders. The website is updated from time to time.

Measures Implemented to Protect Stakeholders from COVID-19

During the initial stages of the global COVID-19 pandemic, the Company moved quickly to safeguard the wellbeing of its stakeholders including its team members, subcontractors and their employees, clients and surrounding communities by implementing preventive and control measures such as strict health checks, safe distancing measures, split team and telecommuting arrangements. Post-Circuit Breaker, the Company has implemented the substantive list of safe management measures as required by the Ministry of Health and Ministry of Manpower, with most activities conducted remotely or via videoconferencing and telecommuting on secure Cloud-based platforms, where possible.

DEALINGS IN SECURITIES

The Company, its directors and officers, including employees who have access to price-sensitive information, are not to deal in the Company's securities on short-term considerations and during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), and ending on the date of announcement of the relevant results. The Company, its directors and officers, including employees who have access to price-sensitive information, are expected to comply with the Securities and Futures Act, Chapter 289 of Singapore, and observe laws against insider trading at all times.

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 have been entered into by the Company or any of its subsidiaries, and no such contract subsisted as at 31 March 2021.

INTERESTED PERSON TRANSACTIONS

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

For the financial year ended 31 March 2021, 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.

Corporate Governance

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

Mr Wong Yu Loon and Mr Liak Teng Lit are the directors seeking re-election at the forthcoming AGM to be held on 28 July 2021 (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	Mr Wong Yu Loon	Mr Liak Teng Lit
Date of Appointment	2 April 2013	1 April 2020
Date of last re-appointment (if applicable)	26 July 2018	25 August 2020
Age	46	68
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 Wong Yu Loon for re-appointment as a Director of the Company. The Board has concluded that Mr Wong Yu Loon 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 Liak Teng Lit for re-appointment as a Director of the Company. The Board has concluded that Mr Liak Teng Lit 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	Executive - assisting the Group Chief Executive Officer in overseeing strategic execution, business development and day-to-day management and operations.	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director and Deputy Group Chief Executive Officer	Non-Executive Director and member of the Audit & Risk Committee
Professional qualifications	Bachelor of Law, University of New South Wales Bachelor of Commerce (Accounting), University of New South Wales Chartered Financial Analyst	MBA National University Singapore MSc Pharmaceutical Sciences University of Aston in Birmingham, United Kingdom Bachelor of Pharmacy, National University of Singapore

Corporate Governance

Name of Director	Mr Wong Yu Loon	Mr Liak Teng Lit
Working experience and occupation(s) during the past 10 years	Served as Executive Director of the Company since 2 April 2013 and Deputy Group Chief Executive Officer of the Company since 1 May 2016, assisting the Group Chief Executive Officer in overseeing strategic execution, business development and day-to-day management and operations.	On the Advisory Board of Centre for Liveable Cities. Group Chief Operating Officer of Perennial Real Estate Holdings Ltd and Chief Executive Officer of Perennial Healthcare Pte Ltd. Also held several public healthcare positions including Group CEO of Alexandra Health System and CEO of Khoo Teck Puat Hospital and Alexandra Hospital.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Shareholding Details	N.A.	N.A.
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	Son of Mr Wong Fong Fui, Chairman, Group Chief Executive Officer and substantial shareholder of the Company. Nephew of Mr Chong Ngien Cheong, Non-Executive Director of the Company.	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments (as defined in the Code) including directorships – Past (for the last 5 years)	Nil	Nil
Other Principal Commitments (as defined in the Code) including directorships – Present	Nil	On the boards of At-Sunrice GlobalChef Academy and Pathlight School

Corporate Governance

Name of Director	Mr Wong Yu Loon	Mr Liak Teng Lit
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

Corporate Governance

Name of Director	Mr Wong Yu Loon	Mr Liak Teng Lit
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.		
(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
(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,	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(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

Corporate Governance

Name of Director	Mr Wong Yu Loon	Mr Liak Teng Lit
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 2021 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 2021;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the statement of financial position of the Group and the Company as at 31 March 2021;
- 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.

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD SINGAPORE LIMITED

Our Audit Approach (cont'd)

Key Audit Matters

Key audit matters are those matters that, in our professional judgements, were of most significance in our audit of the financial statements for the financial year ended 31 March 2021 ("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
<p>Revenue recognition of Engineering & Construction contracts under Real Estate segment</p> <p>Refer to Note 3 (Critical accounting estimates, assumptions and judgements) and Note 4 (Revenue) to the financial statements.</p> <p>During the financial year ended 31 March 2021, revenue from Engineering & Construction contracts amounted to \$264,713,000, which represented 39% of the Group's total revenue.</p> <p>Revenue from Engineering & Construction 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 contract costs.</p> <p>Revenue from Engineering & Construction 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.</p> <p>The Coronavirus Disease 2019 ("COVID-19") pandemic has significantly slowed down the progress of the Group's Engineering & Construction contracts due to ongoing measures being adopted to address the outbreak since early 2020. The delay may lead to potential liquidated damage claims by customers and costs overrun, resulting in loss-making contracts. The uncertainty and judgements involved in determining budgeted costs and profit margins have a significant impact on the revenue and profit.</p> <p>We focus on this area because of the significant management's judgements are required to estimate:</p> <ul style="list-style-type: none"> - the total contract costs which affected the measurement of progress of the projects at the reporting date and accordingly revenue recognized; - the variations or claims from sub-contractors; and - provision for liquidated damages recognised within revenue from these contracts. 	<p>We have performed the following audit procedures to address the Key Audit Matter:</p> <p>We have obtained an understanding of the progress of projects through discussions with management and examination of documents such as contracts and correspondences with customers, variation order claims from sub-contractors and advice from external legal advisers.</p> <p>In relation to total contract revenue, our audit procedures include the following:</p> <ol style="list-style-type: none"> Traced the total contract sums to contracts and agreed variation orders; and Assessed the progress of construction against contractual timeline for delays and the adequacy of provision for liquidated damages. <p>In relation to total contract costs, our audit procedures include the following:</p> <ol style="list-style-type: none"> Selected samples of costs incurred and traced to supplier invoices and sub-contractors' billings; and 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. <p>In relation to the revenue recognised for projects in progress at the reporting date, we have:</p> <ol style="list-style-type: none"> Recomputed the measurement of progress based on the proportion of contract costs incurred to-date to the estimated total contract costs; and Recomputed the revenue for the current financial year based on the measurement of progress and traced to the accounting records. <p>Based on the audit procedures performed, we have assessed management estimation of the revenue on Engineering & Construction contracts to be reasonable.</p> <p>We have assessed that the disclosures in the financial statements in relation to the sensitivity of estimations on revenue and costs on Engineering & Construction contracts to be appropriate.</p>

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD SINGAPORE LIMITED

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.

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 judgements 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.

Independent Auditor's Report

TO THE MEMBERS OF BOUSTEAD SINGAPORE LIMITED

Responsibilities of Management and Directors for 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 2021

Consolidated Income Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 \$'000	2020 \$'000
Revenue	4	685,710	726,561
Cost of sales	7	(512,107)	(559,334)
Gross profit		173,603	167,227
Other income	5	4,765	6,473
Other gains - net	6	127,700	895
Impairment loss on financial assets and contract assets	38(b)	(1,527)	(3,393)
Expenses			
- Selling and distribution	7	(37,997)	(37,894)
- Administrative	7	(71,015)	(63,456)
- Finance	9	(3,835)	(5,213)
Share of profit/(loss) of associates and joint ventures	10	12,601	(1,599)
Profit before income tax		204,295	63,040
Income tax expense	11	(25,440)	(18,581)
Total profit		178,855	44,459
Profit attributable to:			
Equity holders of the Company		113,073	30,872
Non-controlling interests		65,782	13,587
		178,855	44,459
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
- Basic	12	23.27	6.30
- Diluted	12	23.25	6.29

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

Consolidated Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	Note	2021 \$'000	2020 \$'000
Total profit		178,855	44,459
Other comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Financial assets, at FVOCI			
- Fair value gains – debt instruments	19, 34	-	144
- Reclassification to profit or loss on disposal	19, 34	-	(151)
Cash flow hedges			
- Reclassification to profit or loss on disposal	34	-	17
Share of other comprehensive income/(loss) of associates	25,34	892	(511)
Currency translation differences arising from consolidation	34	9,333	(2,784)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement of retirement benefit obligation, net of tax		(498)	1,504
Financial assets, at FVOCI			
- Fair value gains/(losses) – equity investments	19, 34	106	(111)
Non-controlling interests' share of currency translation differences arising from consolidation	34	737	(384)
Other comprehensive income/(loss), net of tax		10,570	(2,276)
Total comprehensive income		189,425	42,183
Total comprehensive income attributable to:			
Equity holders of the Company		122,847	29,012
Non-controlling interests		66,578	13,171
		189,425	42,183

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

Statements of Financial Position – Group and Company

AS AT 31 MARCH 2021

	Note	Group		Company	
		31 March		31 March	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	13	479,791	281,706	71,861	48,716
Trade receivables	14	116,067	111,371	-	-
Other receivables and prepayments	15	67,358	114,276	3,260	1,920
Loans to subsidiaries	16	-	-	33,086	41,812
Inventories	17	6,931	3,572	-	-
Properties held for sale	18	-	26,726	-	-
Right-of-use assets	22	-	9,096	-	-
Finance lease receivables	23	430	430	-	-
Contract assets	4(b)	111,706	69,520	-	-
Investment securities	19	5,183	6,625	5,183	1,925
Derivative financial instruments	31	1,628	-	-	-
		789,094	623,322	113,390	94,373
Non-current assets					
Trade receivables	14	20,211	19,850	-	-
Other receivables and prepayments	15	61,118	5,831	-	3,062
Contract assets	4(b)	8,853	1,568	-	-
Investment securities	19	32,785	42,877	-	10,762
Property, plant and equipment	20	29,596	28,896	386	5
Right-of-use assets	22	13,204	14,994	-	-
Finance lease receivables	23	20,794	21,765	-	-
Investment properties	21	82,588	176,713	-	-
Intangible assets	24	1,396	1,894	30	30
Investments in associates	25	20,836	18,410	-	-
Investments in joint ventures	26	70,123	60,707	-	-
Investments in subsidiaries	27	-	-	80,142	81,273
Deferred income tax assets	28	13,602	7,934	-	-
		375,106	401,439	80,558	95,132
Total assets		1,164,200	1,024,761	193,948	189,505
LIABILITIES					
Current liabilities					
Trade and other payables	29	252,704	209,509	7,478	4,661
Lease liabilities		4,363	5,740	-	-
Income tax payable	11(b)	30,212	15,925	509	1,409
Loans from subsidiaries	16	-	-	88,360	79,604
Contract liabilities	4(b)	94,411	66,198	-	-
Borrowings	30	2,541	92,663	-	-
Derivative financial instruments	31	528	103	95	9
		384,759	390,138	96,442	85,683
Non-current liabilities					
Trade and other payables	29	54,090	14,513	-	-
Lease liabilities		53,412	90,309	-	-
Contract liabilities	4(b)	751	1,159	-	-
Borrowings	30	4,427	26,330	-	-
Pension liabilities	32	300	410	-	-
Deferred income tax liabilities	28	788	5,167	-	-
		113,768	137,888	-	-
Total liabilities		498,527	528,026	96,442	85,683
NET ASSETS		665,673	496,735	97,506	103,822
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	33	74,443	74,443	74,443	74,443
Treasury shares	33	(11,766)	(9,309)	(11,766)	(9,309)
Other reserves	34	(986)	(9,973)	2,398	2,398
Retained profits	35	385,262	287,471	32,431	36,290
		446,953	342,632	97,506	103,822
Non-controlling interests	27	218,720	154,103	-	-
Total equity		665,673	496,735	97,506	103,822

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

Consolidated Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

← 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
2021								
Beginning of financial year		74,443	(9,309)	(9,973)	287,471	342,632	154,103	496,735
Profit for the year		-	-	-	113,073	113,073	65,782	178,855
Other comprehensive income/(loss) for the year	34	-	-	10,281	(507)	9,774	796	10,570
Total comprehensive income for the year		-	-	10,281	112,566	122,847	66,578	189,425
Employee share-based compensation								
- Value of employee services	34	-	-	17	-	17	16	33
- Treasury shares re-issued by a subsidiary	34	-	-	(15)	(315)	(330)	330	-
Dividends								
- In cash	35	-	-	-	(14,598)	(14,598)	(2,025)	(16,623)
Purchase of treasury shares	33,34	-	(2,457)	-	-	(2,457)	-	(2,457)
Purchase of treasury shares by a subsidiary	34	-	-	(150)	138	(12)	(280)	(292)
Disposal of subsidiary		-	-	(1,146)	-	(1,146)	(227)	(1,373)
Incorporation of subsidiary		-	-	-	-	-	225	225
Total transactions with owners, recognised directly in equity		-	(2,457)	(1,294)	(14,775)	(18,526)	(1,961)	(20,487)
End of financial year		74,443	(11,766)	(986)	385,262	446,953	218,720	665,673
2020								
Beginning of financial year		70,758	(1,488)	(6,955)	273,828	336,143	146,207	482,350
Profit for the year		-	-	-	30,872	30,872	13,587	44,459
Other comprehensive (loss)/income for the year	34	-	-	(3,352)	1,492	(1,860)	(416)	(2,276)
Total comprehensive (loss)/income for the year		-	-	(3,352)	32,364	29,012	13,171	42,183
Employee share-based compensation								
- Value of employee services	34	-	-	99	-	99	90	189
- Treasury shares re-issued by a subsidiary	34	-	-	(26)	(427)	(453)	453	-
Dividends								
- In cash	35	-	-	-	(10,987)	(10,987)	(2,936)	(13,923)
- In scrip	35	-	-	-	(3,948)	(3,948)	-	(3,948)
Issue of new shares pursuant to scrip dividend scheme	33,34	3,685	-	263	-	3,948	-	3,948
Purchase of treasury shares	33,34	-	(7,821)	-	-	(7,821)	-	(7,821)
Effect of acquisition of shares from non-controlling shareholders	27	-	-	(2)	(3,359)	(3,361)	(2,882)	(6,243)
Total transactions with owners, recognised directly in equity		3,685	(7,821)	334	(18,721)	(22,523)	(5,275)	(27,798)
End of financial year		74,443	(9,309)	(9,973)	287,471	342,632	154,103	496,735

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

Consolidated Statement of Cash Flows

AS AT 31 MARCH 2021

	Note	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Profit before income tax		204,295	63,040
Adjustments for:			
- Share of (profit)/loss of associates and joint ventures		(12,601)	1,599
- Unrealised construction and project management margins		2,386	8,311
- Depreciation expense		15,480	16,218
- Amortisation expense		1,198	625
- (Gain)/Loss on disposal of property, plant and equipment		(65)	44
- Employee share-based compensation expense		33	189
- Gain on disposal of investment securities		-	(151)
- Fair value (gains)/losses on financial assets, at FVPL		(363)	1,076
- Gain on disposal of a subsidiary		(4,037)	-
- Gain on disposal/partial disposal of properties, a subsidiary and joint ventures		(132,499)	-
- Finance expenses		3,835	5,213
- Interest income		(4,765)	(6,473)
- Unrealised currency exchange losses		174	80
		73,071	89,771
Change in working capital, net of effects from disposal of subsidiaries:			
- Trade receivables, other receivables and prepayments		(8,187)	(25,433)
- Inventories and contracts assets/liabilities		(20,076)	43,786
- Properties held for sale		(243)	(47)
- Trade and other payables		40,769	53,754
- Derivative financial instruments		(1,224)	48
- Restricted bank deposit	13	(3,500)	-
Cash provided by operations		80,610	161,879
Interest received		4,046	5,176
Interest paid		(1,017)	(2,326)
Income tax paid		(22,092)	(17,584)
Net cash generated from operating activities		61,547	147,145
Cash flows from investing activities			
Proceeds from disposal of investment securities		15,117	13,146
Proceeds from disposal of property, plant and equipment		177	328
Proceeds from disposal of properties		240,800	-
Proceeds from disposal of a subsidiary and joint ventures		25,813	7,440
Repayment of loans by joint ventures		79,334	-
Repayment of loan by an associate		4,957	4,459
Dividends received from joint ventures		8,362	3,840
Purchase of investment securities		(3,266)	(3,451)
Purchase of property, plant and equipment		(3,052)	(11,253)
Additions to investment properties		(8,464)	(11,531)
Additions to intangible assets		(681)	(403)
Disposal of subsidiary, net of cash disposed of		(432)	-
Capital contributions to joint ventures		(10,720)	(26,266)
Loan to a joint venture		-	(58,000)
Notes issued by/loan to an associate		(59,000)	(1,666)
Loan to associates		(3,188)	(4,785)
Investment in associates		(14,251)	(87)
Deposits paid for investment		(4,615)	-
Net cash provided by/(used in) investing activities		266,891	(88,229)

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

Consolidated Statement of Cash Flows

AS AT 31 MARCH 2021

	Note	2021 \$'000	2020 \$'000
Cash flows from financing activities			
Proceeds from borrowings		9,848	59,949
Capital contributions from a non-controlling interest		225	-
Purchase of treasury shares		(2,457)	(7,821)
Purchase of treasury shares by a subsidiary		(292)	-
Repayment of borrowings		(121,847)	(44,397)
Principal payment of lease liabilities		(6,898)	(5,730)
Interest payment of lease liabilities		(2,818)	(2,887)
Payment to non-controlling shareholder for the purchase of shares in a subsidiary		-	(6,243)
Dividends paid to non-controlling interests		(2,025)	(2,936)
Dividends paid to equity holders of the Company		(14,598)	(10,987)
Net cash used in financing activities		(140,862)	(21,052)
Net increase in cash and cash equivalents		187,576	37,864
Cash and cash equivalents			
Beginning of financial year		281,706	246,861
Effects of currency translation on cash and cash equivalents		7,009	(3,019)
End of financial year	13	476,291	281,706

Reconciliation of liabilities arising from financing activities

				Non-cash changes						31 March
	1 April	Proceeds	Principal and interest payments	Adoption of SFRS(I) 16	Disposal of properties and subsidiaries	Remeasurement/Modification of lease liability	Interest expense	Addition during the financial year	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Borrowings										
2021	118,993	9,848	(122,864)	-	-	-	1,017	-	(26)	6,968
2020	147,597	59,949	(46,723)	-	(44,207)	-	2,326	-	51	118,993
Lease liabilities										
2021	96,049	-	(9,716)	-	(33,710)	(45)	2,818	2,208	171	57,775
2020	-	-	(8,617)	92,683	-	-	2,887	9,173	(77)	96,049

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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 associate, joint ventures and subsidiaries are set out in Notes 25, 26 and 27 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 judgements 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 judgements or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective on 1 April 2020

On 1 April 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Early adoption of amendment to SFRS(I) 16 Leases

The Group has elected to early adopt the amendments to SFRS(I) 16 which introduced a practical expedient for a lessee to elect not to assess whether a rent concession is a lease modification, if all the following conditions are met:

- (a) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- (c) there is no substantive change to other terms and conditions of the lease.

The Group has elected to apply this practical expedient to all property leases. As a result of applying the practical expedient, rent concessions of \$492,000 (Note 7) were recognised as negative variable lease payments (i.e. reduction in the rental expenses) in the profit or loss during the financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Revenue

(a) *Revenue from Real Estate – Engineering & Construction contracts*

The Group enters into contracts with customers to provide engineering & construction services which includes the design-and-build of buildings and facilities. Revenue is recognised when the control over the buildings and facilities has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the 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 buildings and facilities 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 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 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 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 Engineering & Construction 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Revenue (cont'd)

(b) *Revenue from Energy Engineering*

(i) *Engineering contracts*

The Group enters into contracts with customers to design and supply plants in the oil & 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 plants. 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.

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 plants.

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 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 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.

(ii) *Sale of products*

The Group sells spare parts. 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. 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 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Revenue (cont'd)

(b) *Revenue from Energy Engineering (cont'd)*

(iii) *Services*

Revenue from maintenance services is recognised when the services are rendered.

The customers are invoiced at the end of the contract. No element of financing is deemed present as the services are made with a credit term which is consistent with market practice.

(c) *Revenue from Geospatial*

The Group distributes geospatial software and licences and provide related maintenance and other services. A geospatial contract may contain single promised goods or service ("performance obligation" or "PO") or multiple POs.

(i) *Sale of products - Licence*

Revenue from sale of software and licences are recognised when control of the products has been transferred to its customer, being when the licence key is provided to the customer. Revenue from these sales is measured based on the price specified in the contract or the allocated amount when the customer contract contains multiple POs. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

When a customer is not invoiced at the point when the software licence key is provided, a contract asset representing unbilled revenue is recognised. No element of financing is deemed present as the sales are made with a credit term which is consistent with market practice.

(ii) *Maintenance and other services*

Revenue from maintenance and other services is recognised in the 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. Revenue from these services is measured based on the price specified in the contract or the allocated amount when the customer contract contains multiple POs.

When a customer is 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.

(iii) *Enterprise Agreements ("EA")*

The Group enters into EA with customers where the agreement contains multiple performance obligations ("PO"), such as the delivery of licenses, maintenance and other services. In such a case, the transaction price is allocated to each PO in the contract, as described in Note 3(d). Revenue is recognised when each of the PO is satisfied.

For prepaid maintenance contract costs which are within the scope of another SFRS(I) (eg. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Company will capitalise these as prepaid maintenance contract costs only if (a) these cost relate directly to a contract or an anticipated contract which the Company can specifically identify; (b) these cost generate or enhance resources of the Company that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised prepaid maintenance contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue over time. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of capitalised prepaid maintenance contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Revenue (cont'd)

(d) **Revenue from Healthcare**

(i) **Sale of products**

The Group distributes medical products. Revenue from 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.

(ii) **Services**

Revenue 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) **Property rental**

Please refer to Note 2.18 for the accounting policy for rental income.

(i) **Management fee income**

Management fee from provision of project and development services, asset, property and lease management services are recognised over time as the services are rendered, except for acquisition and performance fees which are recognised at a point in time as and when the services are rendered.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised in profit or loss over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are deducted against the related expenses.

Government grants relating to assets are deducted against the carrying amount of the assets.

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 over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on 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 asset. 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Group accounting (cont'd)

(a) *Subsidiaries (cont'd)*

(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 the (b) fair value of the identifiable net assets acquired, is recorded as goodwill.

(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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Group accounting (cont'd)

(c) *Associates and joint ventures*

An associate is an entity 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%.

A joint venture is an entity over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associates 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 associates 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 associates and joint ventures represents the excess of the cost of acquisition of the associates or joint ventures over the Group's share of the fair value of the identifiable net assets of the associates or joint ventures 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 associates' 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 associates or joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associate or joint venture equals to or exceeds its interest in the associate 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 associate or joint venture. If the associate 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. Interest in an associate or joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates 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 associates" and "investments in joint ventures" on the statement of financial position and a proportionate reduction in "revenue", "cost of sales" and "other gains – net" on the consolidated income statement. The accounting policies of associates or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) *Disposals*

When there are changes in the interest in an associate or a joint venture, without losing significant influence or joint control, the difference between the carrying amount of the interest disposed and proceeds is recognised in profit or loss.

Investments in associates or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associate 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 associates and joint ventures in the separate financial statements of the Company.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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:

	<u>Useful lives</u>
Buildings	40 – 50 years
Leasehold property and fitouts	1 – 20 years
Machinery and equipment	3 – 15 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.

(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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 associates 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 associates and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associates 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 acquired 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) *Software development*

Costs directly attributable to the development of software is capitalised as intangible asset only when effectiveness of the software 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 purchase of materials and services and payroll-related costs of employees directly involved in the development of the software. These costs are amortised using the straight-line method over their estimated useful lives of 3 years. Research costs are recognised as expense when incurred.

The amortisation period and amortisation method of intangible assets are reviewed at least at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 and right-of-use assets relating to leasehold land 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 50 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, associates and joint ventures

Investments in subsidiaries, associates 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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

Right-of-use assets

Investments in subsidiaries, associates and joint ventures

Intangible assets (other than goodwill), property, plant and equipment, investment properties, right-of-use assets and investments in subsidiaries, associates 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial assets

(a) *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. For a financial asset not at fair value through profit or loss, this includes 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 - net". 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 - net".

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Financial assets (cont'd)

(a) *Classification and measurement (cont'd)*

At subsequent measurement (cont'd)

(ii) *Equity instruments*

The Group subsequently measures all its equity instruments at their fair values. Equity instruments 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 - net", except for those equity instruments which are not held for trading.

The Group has elected to recognise changes in fair value of equity instruments not held for trading in OCI 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 OCI. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) *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 38 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.

(c) *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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 associate, 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 associate, 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.

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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 Derivatives 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.

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 on whether the hedging relationship meets the hedge effectiveness requirements under SFRS(I) 9.

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 is placed 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Leases

(i) *When the Group is the lessee:*

The Group leases leasehold land for use as investment properties and properties held for sale in Singapore, the People's Republic of China and the Socialist Republic of Vietnam. The Group also leases building as factories, warehouses and offices, as well as motor vehicles.

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

• **Right-of-use assets**

The Group recognises right-of-use assets and lease liabilities at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Right-of-use assets".

Right-of-use assets which meet the definition of an investment property is presented within "Investment properties" and accounted for in accordance with Note 2.8.

• **Lease liabilities**

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contains both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease components for property leases and account for these as one single lease component.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Leases (cont'd)

(i) *When the Group is the lessee: (cont'd)*

- **Lease liabilities (cont'd)**

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- **Short term and low value leases**

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

- **Variable lease payments**

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Leases (cont'd)

(ii) *When the Group is the lessor:*

The Group leased out investment properties and properties held for sale under operating leases and sub-leases its right-of use of a leasehold land to non-related parties.

- **Lessor – Operating leases**

Leases 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 recognise as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

- **Lessor – Subleases**

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognises the net investment in the sublease within "Finance lease receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognises lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For a contract which contains lease and non-lease components, the Group allocates the consideration based on a relative stand-alone selling price basis.

2.19 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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, associates 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 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.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

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.

2.22 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.22 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.

2.23 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 - 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 2021

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 Currency translation

(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 with loss of control of the foreign operation.

2.24 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.

2.25 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 overdraft, if any.

2.26 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.

2.27 Dividends to the Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 judgements 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.

(a) Impact of Coronavirus Disease 2019 ("COVID-19") pandemic

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group's operations have been affected in various degrees, with the Group's Engineering & Construction contracts (secured pre-pandemic) under Real Estate segment in Singapore being most affected. These measures resulted in significant costs increase associated to the resumption of work after "Circuit Breaker", prolongation and acceleration costs in completing the projects. The delay in completion of the Group's Engineering & Construction contracts correspondingly delayed the recognition of construction revenue and the commencement of leasing income for projects owned by joint ventures of the Group.

The resulting additional costs were partially mitigated by grants received under the Singapore Government's Jobs Support Scheme ("JSS"), Foreign Worker Levy waiver and rebates, the co-sharing of certain costs by government and private sector clients, and reliefs granted under the COVID-19 (Temporary Measures) Act 2020 ("COTMA") passed by the Singapore government.

The Group has considered the market conditions (including the impact of COVID-19) as at 31 March 2021 in making estimates and judgements on the recoverability of assets and provision of liabilities as at that date. The significant estimates and judgements applied on revenue recognition and provision of onerous contracts relating the Group's Engineering & Construction contracts under the Real Estate segment are disclosed in Note 3(b).

As at the date these financial statements are authorised for issuance, the global COVID-19 pandemic situation remains fluid with continuing border closures and labour shortages. Accordingly, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions and additional COTMA relief measures that could be made available to the Group for the financial year ending 31 March 2022.

(b) Revenue recognition of Engineering & Construction Contracts under the Real Estate segment

Since the beginning of 2020, the COVID-19 pandemic had caused delays in receipts of overseas construction material and labour supplies for certain Engineering & Construction contracts under Real Estate segment of the Group. Subsequently, the Singapore Government introduced "Circuit Breaker" measures during which the Group's construction projects under Real Estate segment ceased activities till 19 June 2020. Following resumption, the construction activities had been slow due to compliance with Safe Management Measures and availability of worker resources. These events have caused projects to delay beyond their original contracted dates of completion, resulted in additional costs (associated to resumption, prolongation and acceleration) to complete the projects and consequently delayed the recognition of construction revenue.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

(b) Revenue recognition of Engineering & Construction Contracts under the Real Estate segment (cont'd)

(i) Estimated total project costs for Engineering & Construction contracts under Real Estate segment

As disclosed in Note 2.2(a), revenue on Engineering & Construction contracts is recognised over time using the input method. Under the input method, estimated total contract costs on each project is a key input that is subject to significant estimation uncertainty. At 31 March 2021, management re-evaluates, *inter alia*, the estimated total contract costs by updating the estimated contract costs to be incurred from 31 March 2021 to the completion date of the projects ("costs-to-complete").

In making estimation of value of variation orders payable to suppliers and sub-contractors and 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 31 March 2021. Management has made provision for contingency on each project to address these inherent risks.

In making the estimated cost-to-complete, management has taken into consideration disruptions in labour and material supplies and the related delays in project completion caused by the COVID-19 pandemic as at 31 March 2021. Management has assessed that total construction costs would exceed the construction revenue of two on-going Engineering & Construction contracts as at 31 March 2021 by \$7,317,000 (Note 29).

For on-going projects as at 31 March 2021, if the estimated contract cost to be incurred from 31 March 2021 to the completion date is higher/lower by 5% (2020: 5%) from management's estimates, the Group's revenue and profit before tax would have been lower/higher by \$7,832,000 (2020: \$7,279,000) and \$12,033,000 respectively (2020: \$7,279,000).

The COVID-19 situation continues to evolve post 31 March 2021, including manpower shortages and related increases in manpower costs as a result of border control quotas. This may cause further extension in the completion dates of the projects and hence further resumption, prolongation and acceleration costs to be incurred. Such cost estimation would be revised in the accounting periods where the changes in circumstances arise.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONT'D)

(b) Revenue recognition of Engineering & Construction Contracts under the Real Estate segment (cont'd)

(ii) Estimation of customers' claim on liquidated damages for delay in completion of projects

Customers have a right to claim for liquidated damages under the contractual terms of the Engineering & Construction contracts if contractual obligations, including completion of the project and delivery of plants by a specific date, are not fulfilled.

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 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.

In the estimation of liquidated damages payable to the Group's customers in respect of delay in completion of Engineering & Construction contracts as at 31 March 2021, the Group had taken into account delays caused by the COVID-19 pandemic, including the cessation of construction activities required by the Singapore Government during the Circuit Breaker period and the slow resumption of construction activities from 19 June 2020. In assessing the liquidated damages payable to the customers, management has also taken into consideration the application of COTMA, which provides temporary reliefs due to the inability to perform contractual obligations, where the inability was caused to a material extent by the COVID-19 pandemic.

(c) Estimation of sub-contractors' claim on variation orders

Payment claims from sub-contractors are subject to physical surveys of construction performed, verification to agreed schedule and pricing in contracts and consideration of other relevant circumstances and events by the Group before payments are made. As at 31 March 2021, the Group had payment claims from sub-contractors which were disputed by the Group and not recognised in the financial statements, taking into account relevant counter-claims to the sub-contractors and information known and available to management at the date of these financial statements.

(d) Estimation of customers' claim on liquidated damages for delay in completion of projects

Customers have a right to claim for liquidated damages under the contractual terms of the Energy Engineering contracts if contractual obligations, including completion of the project and delivery of plants by a specific date, are not fulfilled.

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 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

4. REVENUE

(a) Disaggregation of revenue from contracts with customers

	At a point in time	Over time	Total
	\$'000	\$'000	\$'000
Group			
2021			
<u>Revenue from contracts with customers</u>			
Energy Engineering			
- Engineering contracts	-	192,011	192,011
- Sale of products	3,081	845	3,926
- Services	2,157	327	2,484
Real Estate			
- Engineering & Construction contracts	-	264,713	264,713
- Management fee income	2,260	3,737	5,997
Geospatial			
- Licence	51,533	-	51,533
- Maintenance and other services	-	118,824	118,824
Healthcare			
- Sale of products	12,915	-	12,915
- Services	-	2,272	2,272
	71,946	582,729	654,675
<u>Revenue from other sources</u>			
Property rental income			32,263
Dividend income			340
			687,278
Less: Government grant expense – rent concession			(1,568)
Total			685,710

Government grant expense relates to government grant income (Note 7(b)) received from the Singapore Government that were transferred to tenants in the form of rental rebates and rental waivers during the financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

4. REVENUE (CONT'D)

(a) Disaggregation of revenue from contracts with customers (cont'd)

	At a point in time	Over time	Total
	\$'000	\$'000	\$'000
Group			
2020			
<u>Revenue from contracts with customers</u>			
Energy Engineering			
- Engineering contracts	-	135,707	135,707
- Sale of products	4,625	-	4,625
- Services	4,130	-	4,130
Real estate			
- Engineering & Construction contracts	-	391,919	391,919
- Management fee income	-	3,789	3,789
Geospatial			
- Licence	35,027	-	35,027
- Maintenance and other services	-	102,291	102,291
Healthcare			
- Sale of products	13,864	-	13,864
- Services	-	4,289	4,289
	57,646	637,995	695,641
<u>Revenue from other sources</u>			
Property rental income			30,516
Dividend income			404
Total			726,561

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

4. REVENUE (CONT'D)

(b) Contract assets and liabilities

	Group		
	31 March		1 April
	2021 \$'000	2020 \$'000	2019 \$'000
<i>Contract assets</i>			
<i>Current</i>			
- Engineering contracts under Energy Engineering	80,686	37,979	29,126
- Engineering & Construction contracts under Real Estate	10,783	26,712	69,945
- Licence contracts under Geospatial	20,303	5,771	8,436
- Service contracts under Healthcare	30	60	28
Less: Loss allowance (Note 38(b))	(96)	(1,002)	(4,061)
	111,706	69,520	103,474
<i>Non-current</i>			
- Licence contracts under Geospatial	8,810	1,568	2,657
- Service contracts under Healthcare	43	-	-
	8,853	1,568	2,657
Total contract assets	120,559	71,088	106,131
<i>Contract liabilities</i>			
<i>Current</i>			
- Engineering contracts under Energy Engineering	1,293	11,571	4,672
- Engineering & Construction contracts under Real Estate	48,180	20,741	18,695
- Maintenance contracts under Geospatial	44,546	33,743	34,638
- Service contracts under Healthcare	392	143	976
	94,411	66,198	58,981
<i>Non-current</i>			
- Maintenance contracts under Geospatial	751	1,159	1,134
Total contract liabilities	95,162	67,357	60,115

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 relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for Engineering & Construction contracts, Engineering contracts, sale of products and rendering of services. Contract liabilities increased due to more contracts in which the Group billed and received consideration ahead of provision of services.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONT'D)

(b) Contract assets and liabilities (cont'd)

(i) Revenue recognised in relation to contract liabilities

	Group	
	2021 \$'000	2020 \$'000
Revenue recognised in current period that was included in the contract liability balance at the beginning of the financial year		
- Engineering contracts under Energy Engineering	5,599	22,755
- Engineering & Construction contracts under Real Estate	20,741	18,695
- Maintenance contracts under Geospatial	34,430	31,035
- Service contracts under Healthcare	143	1,755
	60,913	74,240

(ii) Unsatisfied performance obligations

	Group	
	2021 \$'000	2020 \$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March		
- Engineering contracts under Energy Engineering	89,640	231,341
- Engineering & Construction contracts under Real Estate	351,551	399,556
- Maintenance contracts under Geospatial	41,421	33,750
- Service contracts under Healthcare	1,949	1,387
	484,561	666,034

Management expects that the transaction price allocated to the unsatisfied performance obligations as at 31 March 2021 may be recognised as revenue as the Group continues to perform to complete the construction over the next 1 to 3 years (2020: 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.

(c) Trade receivables from contracts with customer*

	Group		
	31 March		1 April
	2021 \$'000	2020 \$'000	2019 \$'000
Current	116,067	111,371	96,034
Non-current	20,211	19,850	11,212

* These balances are presented within trade receivables in Note 14.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

5. OTHER INCOME

	Group	
	2021 \$'000	2020 \$'000
Interest income		
- Financial assets, at amortised cost		
- Bank deposits	2,152	3,346
- Loan to a joint venture	164	274
- Loan to associates	776	891
- Loan to a related party*	338	401
- Notes issued by an associate	328	-
- Others	97	114
	3,855	5,026
- Financial assets, at FVOCI	-	44
- Financial assets, at FVPL	114	509
- Others	77	155
	4,046	5,734
Finance income on sublease	719	739
	4,765	6,473

* Subsidiary of an associate

6. OTHER GAINS - NET

	Group	
	2021 \$'000	2020 \$'000
Fair value gains/(losses)		
- Derivative financial instruments	1,224	(48)
- Financial assets, at FVPL (Note 19(a))	363	(1,076)
Financial assets, at FVOCI		
- Reclassification from other comprehensive income on disposal	-	151
Gain on disposal of a subsidiary	4,037	-
Gain on disposal/partial disposal of properties, a subsidiary and joint ventures	132,499	-
Currency exchange (losses)/gains - net	(10,423)	1,868
	127,700	895

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

7. EXPENSES BY NATURE

	Group	
	2021 \$'000	2020 \$'000
Employee compensation (Note 8)	97,049	96,663
Sub-contractor fees and other construction and engineering costs	406,202	458,831
Purchases of inventories and services	75,360	60,952
Depreciation expense (Notes 20, 21 and 22)	15,480	16,218
Amortisation of intangible assets (Note 24)	1,198	625
Directors' fees		
- Directors of the Company	256	259
- Directors of a subsidiary	252	275
(Reversal of)/Allowance for impairment of inventories	(27)	587
Fees on audit services paid/payable to:		
- Auditor of the Company	536	540
- Other auditors	288	277
Fees on non-audit services paid/payable to:		
- Auditor of the Company	20	48
- Other auditors	185	113
Legal and professional fees	6,857	4,841
Rental (rebates)/expenses on operating leases ^(a)	(11)	1,305
Property tax ^(b)	1,682	3,366
Utility charges	848	618
Repair and maintenance expenses	4,903	4,234
Marketing expenses	3,614	2,765
(Gain)/Loss on disposal of property, plant and equipment	(65)	44
Training and recruitment expenses	984	1,438
Travel expenses	182	2,275
Telecommunication expenses	1,224	1,535
Collaboration costs	983	(157)
Others	3,119	3,032
Total cost of sales, selling and distribution and administrative expenses	621,119	660,684

^(a) Included within rental (rebates)/expenses are COVID-19 related rent concessions received from lessors of \$492,000 to which the Group applied the practical expedient as disclosed in Note 2.1.

^(b) Included within property tax are grant income of \$1,415,000 in which the Group has passed the benefits to its tenants during the financial year (Note 4).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

8. EMPLOYEE COMPENSATION

	Group	
	2021 \$'000	2020 \$'000
Wages and salaries	89,391	89,258
Employer's contribution to defined contribution plans including Central Provident Fund	7,544	7,131
Employee share-based compensation expense (Note 33)	33	189
Other benefits	81	85
	97,049	96,663

Government grants under the Job Support Scheme ("JSS") amounting to \$7,513,000 were recorded as a reduction to the wages and salaries during the financial year ended 31 March 2021 (2020: \$709,000). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers received cash grants in relation to the gross monthly wages of eligible employees.

9. FINANCE EXPENSES

	Group	
	2021 \$'000	2020 \$'000
Interest expense		
- Bank borrowings	1,017	2,326
- Lease liabilities (Note 22 (b))	2,818	2,887
	3,835	5,213

10. SHARE OF PROFIT/(LOSS) OF ASSOCIATES AND JOINT VENTURES

	Group	
	2021 \$'000	2020 \$'000
Share of profit/(loss) after income tax		
- Associates (Note 25)	821	1,165
- Joint ventures (Note 26)	11,780	(2,764)
	12,601	(1,599)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

11. INCOME TAXES

(a) Income tax expense

	Group	
	2021 \$'000	2020 \$'000
Tax expense attributable to profit is made up of:		
- Profit for the financial year:		
Current income tax		
- Singapore	17,222	7,760
- Foreign	17,390	10,762
	34,612	18,522
Deferred income tax (Note 28)	(8,748)	(745)
	25,864	17,777
- (Over)/Under provision in prior financial years:		
Current income tax	(620)	2,202
Deferred income tax (Note 28)	196	(1,398)
	(424)	804
	25,440	18,581

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	
	2021 \$'000	2020 \$'000
Profit before tax	204,295	63,040
Share of (profit)/loss of associates and joint ventures – net of tax	(12,601)	1,599
Profit before tax and share of (profit)/loss of associates and joint ventures	191,694	64,639
Tax calculated at tax rate of 17% (2020: 17%)	32,588	10,989
Effects of:		
- expenses not deductible for tax purposes	4,760	3,645
- different tax rates in other countries	4,862	3,101
- deferred income tax assets not recognised	676	1,860
- income not subject to tax	(17,524)	(626)
- tax incentives	(392)	(339)
- (over)/under provision in prior financial years - net	(424)	804
- utilisation of previously unrecognised tax losses	(81)	-
- others	975	(853)
Tax charge	25,440	18,581

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

11. INCOME TAXES (CONT'D)

(b) Movement in current income tax payable

	Group	
	2021 \$'000	2020 \$'000
Beginning of financial year	15,925	13,133
Currency translation differences	2,387	(348)
Income tax paid	(22,092)	(17,584)
Tax expense	34,612	18,522
(Over)/Under provision in prior financial years	(620)	2,202
End of financial year	30,212	15,925

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.

	2021	2020
Profit attributable to equity holders of the Company (\$'000)	113,073	30,872
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	486,018	490,342
Basic earnings per share (cents per share)	23.27	6.30

(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:

	2021	2020
Profit attributable to equity holders of the Company (\$'000)	113,073	30,872
Adjustment for dilutive potential ordinary shares of a subsidiary (\$'000)	(82)	(32)
Adjusted profit attributable to equity holders of the Company (\$'000)	112,991	30,840
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	486,018	490,342
Diluted earnings per share (cents per share)	23.25	6.29

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash at bank and on hand	335,308	141,935	40,861	6,716
Short-term bank deposits	144,483	139,771	31,000	42,000
	479,791	281,706	71,861	48,716

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2021 \$'000	2020 \$'000
Cash at bank balances (as above)	479,791	281,706
Less: Restricted bank deposit	(3,500)	-
Cash and cash equivalents in the statement of cash flows	476,291	281,706

Cash and cash equivalents belonging to subsidiaries of the Group amounting to \$11,648,000 (2020: \$11,445,000) held in the People's Republic of China and the Socialist Republic of Vietnam are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the countries, other than through normal dividends.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. CASH AND CASH EQUIVALENTS (CONT'D)

Disposal of subsidiaries

On 30 December 2020, the Group disposed of its wholly-owned subsidiaries, Boustead Salcon Water Solutions Pte Ltd and its subsidiary, H+E Technologies Pte Ltd for a cash consideration of \$7,280,000, to a non-related party.

On 3 March 2021, the Group disposed of properties, interest in a subsidiary and joint ventures to Boustead Industrial Fund ("BIF"). Please refer to Note 39(b) for the details of the transaction.

The effects of the disposals on the cash flows of the Group were as follows:

	2021 \$'000
Carrying amounts of assets and liabilities disposed:	
Cash and cash equivalents	9,704
Trade receivables	8,183
Other receivables and prepayments	135
Investment property	34,517
Contract assets	5,716
Property, plant and equipment	148
Right-of-use assets	38
Trade and other payables	(4,488)
Contract liabilities	(12,284)
Income tax payable	(419)
Lease liabilities	(7,445)
Deferred income tax liabilities	(1,577)
Net assets derecognised	32,228
Less: Non-controlling interests	(227)
Net assets disposed of	32,001
Reclassification of foreign currency translation reserve	8
Reclassification of capital reserve	(1,154)
Retained interest in joint venture	(14,825)
Gain on disposal	13,579
Provision for indemnity	1,456
Sales proceeds receivables	(517)
Unrealised gain on disposal	3,181
Cash proceeds from disposal	33,729
Less: Cash and cash equivalents in subsidiaries disposed of	(9,704)
Net cash inflow on disposal	24,025

Including proceeds from disposal of joint ventures, the total cash flow from disposal of subsidiaries and joint ventures amounted to \$25,381,000.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

13. CASH AND CASH EQUIVALENTS (CONT'D)

Disposal of subsidiaries (cont'd)

On 30 July 2019, the Group disposed its subsidiary, CP-SH1 Pte Ltd ("CP-SH1"), which owned 49% interest in BP-Braddell LLP ("BP-Braddell"), for a cash consideration of \$8,203,000. As the remaining 51% interest in BP-Braddell was held by the Group's subsidiary, BP-SH1 Pte Ltd, BP-Braddell was a wholly-owned subsidiary of the Group prior to the disposal of CP-SH1.

After the transaction, CP-SH1 and BP-Braddell ceased to be subsidiaries and BP-Braddell became a joint venture of the Group. The effects of the disposal on the cash flows of the Group were as follows:

	Group
	\$'000
Carrying amounts of assets and liabilities disposed:	
Cash and cash equivalents	763
Trade receivables	3,979
Investment property	59,538
Trade and other payables	(3,333)
Borrowings	(44,207)
Net assets disposed of	16,740
Retained interest in joint venture	(8,537)
Cash proceeds from disposal	8,203
Less: Cash and cash equivalents in subsidiaries disposed of	(763)
Net cash inflow on disposal	7,440

14. TRADE RECEIVABLES

	Group	
	2021	2020
	\$'000	\$'000
<i>Current</i>		
Trade receivables:		
- Non-related parties	114,643	116,675
- Joint ventures	7,757	9,948
- Associates	3,966	1,332
- A related party*	607	952
Less: Allowance for impairment of receivables - non-related parties (Note 38(b))	(27,050)	(27,286)
	99,923	101,621
Retention sum receivables:		
- Non-related parties	13,998	9,412
- Joint ventures	2,146	338
	16,144	9,750
	116,067	111,371
<i>Non-current</i>		
Retention sum receivables		
- Non-related parties	15,538	14,900
- Joint ventures	4,673	4,950
	20,211	19,850

* Subsidiary of an associate

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

15. OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Current</i>				
Loans to:				
- Associates	20,736	19,372	2,896	1,723
Less: Allowance for impairment of loan to an associate	(4,049)	(1,689)	-	-
	16,687	17,683	2,896	1,723
- A joint venture	-	58,558	-	-
- A related party*	7,964	7,784	-	-
	24,651	84,025	2,896	1,723
Other receivables:				
- Non-related parties	14,336	14,429	354	181
- Subsidiaries	-	-	5	10
- Joint ventures	53	224	-	-
- Associates	4,657	34	-	-
- A related party*	578	552	-	-
Less: Allowance for impairment of other receivables – Non-related parties	(5,135)	(5,133)	-	-
	39,140	94,131	3,255	1,914
Tax recoverable	603	2,313	-	-
Deposits	5,570	1,750	-	-
Prepayments	3,519	4,112	5	6
Prepaid maintenance contract costs	18,341	11,796	-	-
Staff loans and advances	185	174	-	-
	67,358	114,276	3,260	1,920
<i>Non-current</i>				
Loan to:				
- An associate	-	3,062	-	3,062
Notes issued by an associate	59,000	-	-	-
Other receivables	1,015	1,673	-	-
Prepayments	1,103	1,096	-	-
	61,118	5,831	-	3,062

* Subsidiary of an associate

Current loan to an associate by the Group amounting to \$17,840,000 is unsecured, bears interest at 0.50% (2020: 0.50%) above Kuala Lumpur Interbank Offered Rate ("KLIBOR") per annum and is repayable on demand. Movement in the allowance for impairment of loan to an associate is disclosed in Note 38(b).

Current loan to an associate by the Group and Company amounting to \$2,896,000 (2020: \$1,723,000) is unsecured, bears interest at a fixed rate of 8.00% (2020: 8.00%) per annum and is repayable within the next 12 months.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

15. OTHER RECEIVABLES AND PREPAYMENTS (CONT'D)

Loan to a joint venture for financial year ended 31 March 2020 was unsecured, bears interest at 2.00% above Singapore Interbank Offered Rate ("SIBOR") per annum and is repayable on demand. The amount was repaid during the financial year ended 31 March 2021.

Loan to a related party is unsecured, bears interest at 2.00% (2020: 2.00%) above KLIBOR per annum and is repayable on demand.

The non-current notes issued by an associate, Boustead Industrial Fund ("BIF") are unsecured, bear interest of 7.00% per annum and are repayable on 3 March 2031, with the option to extend for another 10 years. The notes are "qualifying debt securities" for the purposes of the Singapore Income Tax Act, which entail a 10% concessionary tax rate on the net interest income earned by the noteholders.

Prepaid maintenance contract costs relate to maintenance costs incurred to fulfil maintenance contracts. These costs are amortised to the profit or loss as cost of sales on a basis consistent with the pattern recognition of the associated maintenance revenue.

Other receivables due from subsidiaries, joint ventures, associates and a related party* are unsecured, interest-free and are repayable on demand. Movement in the allowance for impairment of other receivables is disclosed in Note 38(b).

* *Subsidiary of an associate*

16. LOANS TO/FROM SUBSIDIARIES

	Company	
	2021 \$'000	2020 \$'000
Loans to subsidiaries		
- Non-interest bearing	31,873	31,830
- Interest bearing	26,769	35,101
	58,642	66,931
Less: Allowance for impairment of loans to subsidiaries	(25,556)	(25,119)
	33,086	41,812
Loans from subsidiaries		
- Non-interest bearing	1,845	1,688
- Interest bearing	86,515	77,916
	88,360	79,604

Non-interest bearing loans to/from subsidiaries are unsecured and repayable on demand.

Interest bearing loans to subsidiaries bear effective interest at 0.64% (2020: 0.92%) per annum and are unsecured and repayable on demand.

Interest bearing loans from subsidiaries bear effective interest at 0.96% (2020: 1.45%) per annum and are unsecured and repayable on demand.

Movement in the allowance for impairment of loans to subsidiaries:

	Company	
	2021 \$'000	2020 \$'000
Beginning of financial year	25,119	23,713
Allowance made	437	1,406
End of financial year	25,556	25,119

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

17. INVENTORIES

	Group	
	2021 \$'000	2020 \$'000
Construction materials	2,565	-
Raw materials	610	244
Finished goods	3,756	3,328
	6,931	3,572

The cost of inventories recognised as an expense and included in “cost of sales” amounted to \$30,813,000 (2020: \$20,509,000).

18. PROPERTIES HELD FOR SALE

As at 31 March 2020, the Group has the following properties held for sale:

Location	Description	Terms of lease
(1) Singapore No. 12 Changi North Way*	Industrial/ Gross floor area (“GFA”): 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/ GFA: 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/ GFA: 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/ GFA: 3,737 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/ GFA: 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/ GFA: 3,238 sq metres	50 years from 15 April 2003

* Sold to an associate during the financial year ended 31 March 2021 (Note 35(b))

[#] Reclassified to Investment properties (Note 21)

As at 31 March 2020, properties held for sale amounting to \$9,400,000 were pledged to the banks for banking facilities (Note 30).

Valuation of the Group’s properties held for sale had been performed by independent professional valuers with appropriate recognised professional qualifications and recent experience with the location and category of the properties being valued. The valuers had considered the direct comparison method for comparative properties and capitalisation approach in deriving the valuation of \$92,771,000 as at 31 March 2020, net of lease payments.

Key inputs used in the valuations were the estimated annual net rent, discount rate and comparable sales in the area. The outbreak of COVID-19 had resulted in market uncertainty and volatility, and accordingly the valuation of properties held for sale might fluctuate more rapidly and significantly subsequent to valuation date as compared to normal market conditions.

The fair values of properties held for sale were within Level 3 of the fair value hierarchy.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

19. INVESTMENT SECURITIES

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Financial assets, at FVPL	6,547	18,187	5,183	12,687
Financial assets, at FVOCI	31,421	31,315	-	-
Total	37,968	49,502	5,183	12,687
Less: Current portion	(5,183)	(6,625)	(5,183)	(1,925)
Non-current portion	32,785	42,877	-	10,762

(a) Financial assets, at FVPL

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Beginning of financial year	18,187	23,214	12,687	18,114
Currency translation differences	(152)	140	(152)	140
Additions	3,266	3,451	2,668	3,051
Fair value gain/(losses) (Note 6)	363	(1,076)	257	(1,076)
Disposals	(15,117)	(7,542)	(10,277)	(7,542)
End of financial year	6,547	18,187	5,183	12,687

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Current</i>				
Listed instruments:				
- Equity instruments – Singapore	-	1,925	-	1,925
Non-listed instruments:				
- Convertible loan	-	4,700	-	-
- Equity instruments – Singapore	5,183	-	5,183	-
	5,183	6,625	5,183	1,925
<i>Non-current</i>				
Listed instruments:				
- Debt instruments – Singapore	-	7,950	-	7,950
Non-listed instruments:				
- Equity instruments	1,364	3,612	-	2,812
	1,364	11,562	-	10,762
Total	6,547	18,187	5,183	12,687

The instruments are all mandatorily measured at fair value through profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

19. INVESTMENT SECURITIES

(b) Financial assets, at FVOCI

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Beginning of financial year	31,315	37,141	-	5,715
Currency translation differences	-	(256)	-	(256)
Fair value gains/(losses)	106	(118)	-	(7)
Disposals	-	(5,452)	-	(5,452)
End of financial year	31,421	31,315	-	-

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Non-current assets</i>				
Non-listed instrument:				
- Equity instrument	31,421	31,315	-	-
Total	31,421	31,315	-	-

The Group holds a 5.27% equity interest in Perennial Tongzhou Development Pte. Ltd. ("PTD"), which represents a 4.00% 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 as at 31 March 2021 is based on a valuation performed by an independent professional property valuer.

Details of inputs used in the valuation are disclosed in Note 38(f).

The outbreak of COVID-19 has resulted in market uncertainty and volatility, and accordingly the valuation of investment property may fluctuate more rapidly and significantly subsequent to valuation date as compared to normal market conditions.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

20. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings	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							
2021							
<i>Cost</i>							
Beginning of financial year	4,517	8,304	5,922	15,224	19,786	686	54,439
Currency translation differences	709	808	552	466	469	(9)	2,995
Additions	-	-	199	352	2,286	215	3,052
Disposals	-	-	-	(228)	(912)	-	(1,140)
Disposal of a subsidiary	-	-	(76)	-	(791)	-	(867)
End of financial year	5,226	9,112	6,597	15,814	20,838	892	58,479
<i>Accumulated depreciation</i>							
Beginning of financial year	-	1,189	3,135	5,951	14,888	380	25,543
Currency translation differences	-	77	490	415	419	(8)	1,393
Depreciation charge	-	151	690	952	1,707	194	3,694
Disposals	-	-	-	(228)	(800)	-	(1,028)
Disposal of a subsidiary	-	-	(73)	-	(646)	-	(719)
End of financial year	-	1,417	4,242	7,090	15,568	566	28,883
Net book value							
End of financial year	5,226	7,695	2,355	8,724	5,270	326	29,596
2020							
<i>Cost</i>							
Beginning of financial year	4,888	6,522	6,642	6,164	17,715	628	42,559
Currency translation differences	(371)	(126)	(377)	(412)	(236)	(30)	(1,552)
Additions	-	1,908	713	9,639	3,638	143	16,041
Disposals	-	-	(1,056)	(167)	(1,331)	(55)	(2,609)
End of financial year	4,517	8,304	5,922	15,224	19,786	686	54,439
<i>Accumulated depreciation</i>							
Beginning of financial year	-	1,030	4,090	5,712	14,358	148	25,338
Currency translation differences	-	(5)	(332)	(405)	(254)	14	(982)
Depreciation charge	-	164	413	808	1,820	219	3,424
Disposals	-	-	(1,036)	(164)	(1,036)	(1)	(2,237)
End of financial year	-	1,189	3,135	5,951	14,888	380	25,543
Net book value							
End of financial year	4,517	7,115	2,787	9,273	4,898	306	28,896

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

21. INVESTMENT PROPERTIES

	Land	Building and other costs	Right-of-use assets	Total
	\$'000	\$'000	\$'000	\$'000
Group				
2021				
<i>Cost</i>				
Beginning of financial year	-	169,753	54,922	224,675
Reclassification from Properties held for sale	-	2,078	672	2,750
Additions	-	8,464	181	8,645
Disposals	-	(71,481)	(19,311)	(90,792)
Disposal of a subsidiary	-	(36,975)	(7,821)	(44,796)
Currency translation differences	-	(345)	(573)	(918)
End of financial year	-	71,494	28,070	99,564
<i>Accumulated depreciation</i>				
Beginning of financial year	-	43,885	4,077	47,962
Reclassification from Properties held for sale	-	-	39	39
Depreciation charge	-	4,922	1,557	6,479
Disposals	-	(25,655)	(1,563)	(27,218)
Disposal of a subsidiary	-	(9,722)	(557)	(10,279)
Currency translation differences	-	(4)	(3)	(7)
End of financial year	-	13,426	3,550	16,976
Net book value				
End of financial year	-	58,068	24,520	82,588
2020				
<i>Cost</i>				
Beginning of financial year	58,119	164,023	-	222,142
Adoption of SFRS(I) 16	-	-	49,763	49,763
Reclassification	(58,119)	-	58,119	-
Additions	-	11,531	-	11,531
Disposal of a subsidiary	-	(5,938)	(53,600)	(59,538)
Currency translation differences	-	137	640	777
End of financial year	-	169,753	54,922	224,675
<i>Accumulated depreciation</i>				
Beginning of financial year	2,282	37,742	-	40,024
Reclassification	(2,282)	-	2,282	-
Depreciation charge	-	6,143	1,795	7,938
End of financial year	-	43,885	4,077	47,962
Net book value				
End of financial year	-	125,868	50,845	176,713

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

21. INVESTMENT PROPERTIES (CONT'D)

The following amounts are recognised in profit and loss:

	Group	
	2021 \$'000	2020 \$'000
Rental income	24,350	24,076
Direct operating expenses arising from:		
- Investment properties that generate rental income	5,445	5,968

As at 31 March 2021, the details of the Group's investment properties are as follows:

Location	Description	Existing use	Terms of lease
Singapore 31 Tuas South Ave 10	Industrial facilities	Rental	30 years from 16 December 2013
Singapore 36 Tuas Road	Industrial facilities	Rental	12 years from 1 October 2013 with an option to extend a further 30 years
Socialist Republic of Vietnam Road No. 3, Nhon Trach II Industrial Park - Nhon Phu, Phu Hoi Commune, Nhon Trach District, Dong Nai Province	Industrial facilities	Phase 1 – Rental Phase 2 – Construction in progress	39 years 2 months lease from 22 December 2017
People's Republic of China No. 3 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial facilities	Rental	50 years from 15 April 2003
People's Republic of China No. 7 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial facilities	Rental	50 years from 15 April 2003
People's Republic of China No. 18 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial facilities	Rental	50 years from 15 April 2003

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

21. INVESTMENT PROPERTIES (CONT'D)

During the financial year ended 31 March 2021, the following investment properties were sold to an associate (Note 39(b)):

Location	Description	Existing use	Terms of lease
Singapore 10 Seletar Aerospace Heights	Industrial facilities	Rental	30 years lease from 1 June 2012
Singapore 80 Boon Keng Road	Industrial facilities	Rental	Phase 1 – 30 years lease from 1 April 2011 with an option to extend a further 26 years Phase 2 – 30 years lease from 1 October 2013 with an option to extend a further 16 years
Singapore 16 Tampines Industrial Crescent	Industrial facilities	Rental	30 years lease from 16 June 2012
Singapore 26 Changi North Rise	Industrial facilities	Rental	30 years lease from 30 April 2010 with an option to extend a further 30 years
Singapore 10 Changi North Way	Industrial facilities	Rental	24 years lease from 16 September 2010 with an option to extend a further 30 years
Singapore 10 Tukang Innovation Drive	Industrial facilities	Rental	30 years lease from 1 November 2013

As at 31 March 2020, investment properties amounted to \$43,113,000 were pledged to banks for banking facilities (Note 30).

Valuations of the Group's investment properties have been performed by independent professional valuers with appropriate recognised professional qualification and recent experience with the location and category of the properties being valued. The valuers had considered the direct comparison method for comparative properties, discounted cash flow method and capitalisation approach in deriving the valuation of \$88,174,000 (2020: \$277,423,000), net of lease payments.

Key inputs used in the valuations are the estimated annual net rent, discount rate and comparable sales in the area. The outbreak of COVID-19 has resulted in market uncertainty and volatility, and accordingly the valuation of investment property may fluctuate more rapidly and significantly subsequent to valuation date as compared to normal market conditions.

The fair values of investment properties are within Level 3 of the fair value hierarchy.

Notes to the Financial Statements

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22. LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities

The Group leases leasehold land for use as investment properties and properties held for sale in Singapore, the People's Republic of China and the Socialist Republic of Vietnam for remaining lease periods ranging from 4 to 36 years. The Group also leases buildings as factories, warehouses and offices, as well as motor vehicles.

For the Group's properties located in Singapore, the Group is required to pay Jurong Town Corporation ("JTC") annual land rent in respect of certain of land use as investment properties and properties held for sale, except for the properties where upfront payments were made. 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 23 years, with option to extend a further 30 years for one of the leases.

The right-of-use of the land for investment properties is presented within investment properties (Note 21).

The right-of-use of the land for properties held for sale, leased buildings and leased motor vehicles are presented as right-of-use assets on the statement of financial position.

There is no externally imposed covenant on these lease arrangements.

(a) Carrying amounts and depreciation charge during the financial year

	Right-of-use assets					Right-of-use assets within investment properties	
	Leasehold land	Leasehold buildings	Machinery	Motor vehicles	Sub-total	Leasehold land	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021							
Net Book Value							
Beginning of financial year	9,573	14,117	159	241	24,090	50,845	74,935
Reclassification	(392)	(241)	-	-	(633)	633	-
Additions	25	1,469	-	175	1,669	181	1,850
Modification of lease liability	303	-	-	-	303	-	303
Depreciation charge							
(Note 7)	(1,077)	(4,072)	(39)	(119)	(5,307)	(1,557)	(6,864)
Disposals	(8,062)	(1)	-	-	(8,063)	(17,748)	(25,811)
Disposal of a subsidiary							
(Note 13)	-	(38)	-	-	(38)	(7,264)	(7,302)
Currency translation differences	12	1,155	16	-	1,183	(570)	613
End of financial year	382	12,389	136	297	13,204	24,520	37,724
Less: Current portion	-	-	-	-	-	-	-
Non-current portion	382	12,389	136	297	13,204	24,520	37,724

During the current year, the Group renegotiated and modified an existing lease contract for a leasehold land by extending the lease term at revised lease payments. As this extension is not part of the terms and conditions of the original lease contract, it is accounted for as a lease modification with an addition to the right-of-use assets.

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22. LEASES – THE GROUP AS A LESSEE (CONT'D)

Nature of the Group's leasing activities (cont'd)

(a) *Carrying amounts and depreciation charge during the financial year (cont'd)*

	Right-of-use assets					Right-of-use assets within investment properties	Total
	Leasehold land	Leasehold buildings	Machinery	Motor vehicles	Sub-total	Leasehold land	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2020							
Net Book Value							
Beginning of financial year	9,963	10,102	26	220	20,311	49,763	70,074
Reclassification	-	-	-	-	-	55,837	55,837
Additions	815	7,674	182	123	8,794	-	8,794
Depreciation charge							
(Note 7)	(1,208)	(3,496)	(50)	(102)	(4,856)	(1,795)	(6,651)
Disposal	-	(265)	-	-	(265)	(53,600)	(53,865)
Currency translation differences	3	102	1	-	106	640	746
End of financial year	9,573	14,117	159	241	24,090	50,845	74,935
Less: Current portion	(9,096)	-	-	-	(9,096)	-	(9,096)
Non-current portion	477	14,117	159	241	14,994	50,845	65,839

(b) *Interest expense*

	2021 \$'000	2020 \$'000
Interest expense on lease liabilities	2,818	2,887

(c) *Lease expense not capitalised in lease liabilities*

	2021 \$'000	2020 \$'000
Lease expense – short-term leases	481	1,305

(d) Total cash outflow for all the leases for the financial year ended 31 March 2021 was \$10,197,000 (2020: \$9,922,000).

(e) *Extension options*

The leases for certain leasehold lands, leasehold buildings and motor vehicles contain extension periods for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

23. LEASES – THE GROUP AS A LESSOR

Nature of the Group leasing activities – Group as a lessor

The Group has leased out investment properties and properties held for sale to non-related parties for monthly lease payments. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the payment of leases. These leases are classified as operating leases because the risk and rewards incidental to ownership of the assets are not substantially transferred.

The future minimum lease receivables under non-cancellable operation leases contracted for at the end of the reporting date but not recognised as receivable, are as follows:

	Group	
	2021 \$'000	2020 \$'000
Less than one year	6,047	30,753
One to two years	4,012	28,310
Two to three years	2,675	26,027
Three to four years	2,051	21,262
Four to five years	438	16,114
More than five years	-	35,424
	15,223	157,890

Lease income from investment properties are disclosed in Note 21.

Nature of the Group's leasing activities – Group as an intermediate lessor

Subleases – classified as finance leases

The Group's sub-lease of its right-of-use of a leasehold land is classified as a finance lease because the sub-lease is for the entire remaining lease term of the head lease. The net investment in the sub-lease is recognised under "Finance lease receivables".

Finance income recognised on the sub-lease during the financial year is \$719,000 (2020: \$739,000).

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	Group	
	2021 \$'000	2020 \$'000
Less than one year	1,126	1,155
One to two years	1,126	1,155
Two to three years	1,126	1,155
Three to four years	1,126	1,155
Four to five years	1,126	1,155
More than five years	27,880	29,751
Total undiscounted lease payments	33,510	35,526
Less: Unearned finance income	(12,286)	(13,331)
Net investment in finance lease	21,224	22,195
Current	430	430
Non-current	20,794	21,765
Total	21,224	22,195

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24. INTANGIBLE ASSETS

	Trademarks	Contract backlogs	Software development	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
2021					
<i>Cost</i>					
Beginning of financial year	1,110	951	1,016	480	3,557
Currency translation differences	185	-	-	-	185
Additions	-	-	681	-	681
End of financial year	1,295	951	1,697	480	4,423
<i>Accumulated amortisation</i>					
Beginning of financial year	925	423	-	153	1,501
Currency translation differences	166	-	-	-	166
Amortisation charge (Note 7)	204	423	565	6	1,198
End of financial year	1,295	846	565	159	2,865
<i>Accumulated impairment</i>					
Beginning and end of financial year	-	-	-	162	162
Net book value					
End of financial year	-	105	1,132	159	1,396
2020					
<i>Cost</i>					
Beginning of financial year	1,211	951	613	480	3,255
Currency translation differences	(101)	-	-	-	(101)
Additions	-	-	403	-	403
End of financial year	1,110	951	1,016	480	3,557
<i>Accumulated amortisation</i>					
Beginning of financial year	808	-	-	148	956
Currency translation differences	(80)	-	-	-	(80)
Amortisation charge (Note 7)	197	423	-	5	625
End of financial year	925	423	-	153	1,501
<i>Accumulated impairment</i>					
Beginning and end of financial year	-	-	-	162	162
Net book value					
End of financial year	185	528	1,016	165	1,894

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25. INVESTMENTS IN ASSOCIATES

	Group	
	2021 \$'000	2020 \$'000
Beginning of financial year	18,410	12,875
Investment in Boustead Industrial Fund (Note 39(b))	13,675	-
Investment in DSCO Group Holdings Pte. Ltd.	576	3,177
Share of profit, net of tax (Note 10)	821	1,165
Unrealised construction, project management and acquisition fee margins	(195)	(144)
Unrealised gain on disposal due to retained interests - net of tax	(45,376)	-
Loss accounted for against loans (Note 38(b))	833	771
Reclassification to current liabilities (Note 29)	(58)	235
Reclassification to non-current liabilities (Note 29)	32,536	-
Dividend received	(472)	-
Share of other comprehensive income/(loss)	892	(511)
Currency translation differences	(806)	842
End of financial year	20,836	18,410

The associates are, in the opinion of the directors, not material to the Group except for Boustead Industrial Fund in which the Group held 25% equity interest as at 31 March 2021.

Boustead Industrial Fund ("BIF") is a private trust that invest in, administer and manage certain investments in logistics, business parks and industrial properties. The Group's interest in BIF arose from the transaction described in Note 39(b). In addition to equity interest, amounting to \$13,675,000, the Group also held Notes issued by BIF amounting to \$59,000,000 as at 31 March 2021. Details of the Notes are disclosed in Note 15.

As at 31 March 2021, the carrying amount of the Group's equity interest in BIF, net of unrealised gain amounting to \$32,536,000 is presented within non-current liabilities (Note 29).

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25. INVESTMENTS IN ASSOCIATES (CONT'D)

Set out below the summarised financial information for Boustead Industrial Fund.

Summarised statement of financial position of material associate

	Boustead Industrial Fund
	2021 \$'000
Current assets	18,694
Non-current assets	493,813
Current liabilities	(8,971)
Non-current liabilities	(451,322)
Net assets	52,214
Interest in associates (25%)	13,054
Unrealised construction, project management and acquisition fee margins	(214)
Unrealised gain on disposal due to retained interests	(45,376)
	(32,536)
Reclassification to non-current liabilities (Note 29)	32,536
Carrying value	-

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25. INVESTMENTS IN ASSOCIATES (CONT'D)

Summarised statement of comprehensive income of material associate

	Boustead Industrial Fund
	2021 \$'000
Revenue	3,112
Loss before income tax	(2,450)
Loss after income tax and total comprehensive loss	(2,486)
Share of loss, net of tax (25%)	(622)
Amortisation of previously capitalised unrealised gains and losses	51
Share of loss after income tax, representing total comprehensive loss	(571)

The information above reflects the amounts presented in the financial statements of the associate and the Group's share of those amounts, adjusted for differences in accounting policies between the Group and the associate.

As at 31 March 2021, the carrying amount of the Group's equity investment in an associate is \$Nil (2020: \$Nil) as the Group's share of loss in the associate had exceeded its cost of equity investment.

However, the Group has continued to equity account for its share of loss in the associate in excess of the Group's equity investment amounting to \$1,604,000 as at 31 March 2021 (2020: \$771,000) against the Group's loan to the associate that, in substance, form part of the Group's net investment in the associate.

In addition, a subsidiary of the associate had obtained bank financing for its development which the Group has granted a proportional corporate guarantee as security for the loan. Accordingly, the Group has continued to equity account for its share of loss in the subsidiary of the associate in excess of the Group's equity investment amounting to \$1,406,000 as at 31 March 2021 (2020: \$1,464,000). These are presented within current liabilities (Note 29). The outstanding bank loan of the subsidiary of the associate amounted to \$8,490,000 (2020: \$9,211,000) as at 31 March 2021.

Details of loans provided to associates by the Group are disclosed in Note 15.

There are no other contingent liabilities and capital commitments relating to the Group's interest in the associates.

26. INVESTMENTS IN JOINT VENTURES

	Group	
	2021 \$'000	2020 \$'000
Beginning of financial year	60,707	40,673
Capital contribution	10,720	26,266
Capital repayment	(21,334)	-
Partial disposal of subsidiary (Note 27)	14,825	8,537
Share of profit/(loss), net of tax (Note 10)	11,780	(2,764)
Unrealised construction and project management margins	(2,050)	(8,165)
Unrealised gain on disposal of properties (Note 39(b))	3,730	-
Dividends received	(8,362)	(3,840)
Others	107	-
End of financial year	70,123	60,707

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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	
			2021	2020
BP-Vista LLP ⁽¹⁾⁽⁵⁾	Dormant	Singapore	30%	30%
BP-DOJO LLP ⁽¹⁾⁽⁷⁾	Holding of property for rental income	Singapore	51%	51%
BP-Ubi Development Pte Ltd and its subsidiary ⁽¹⁾⁽⁵⁾	Dormant	Singapore	50%	50%
BP-SF Turbo LLP ⁽¹⁾⁽⁶⁾	Holding of property for rental income	Singapore	25.5%	50%
BP-CA3 LLP ⁽¹⁾	Holding of property for rental income	Singapore	50%	50%
BP-AMC LLP ⁽¹⁾⁽⁷⁾	Holding of property for rental income	Singapore	51%	51%
BP-BBD2 Pte Ltd ⁽¹⁾⁽⁷⁾	Holding of property for rental income	Singapore	51%	51%
Snakepit-BP LLP ⁽¹⁾	Holding of property for rental income	Singapore	28%	28%
Snakepit-BP 1 Pte Ltd ⁽¹⁾⁽⁷⁾	Investment holding	Singapore	5%	5%
Echo Base-BP Capital Pte Ltd and its subsidiary ⁽¹⁾	Provide real estate consultancy and management services	Singapore	50%	50%
EFactory Vietnam Co Ltd ⁽²⁾	Provide real estate consultancy and management services	Socialist Republic of Vietnam	50%	50%
Boustead & KTG Industrial Management Company Limited ⁽²⁾⁽⁴⁾	Provide real estate consultancy and management services	Socialist Republic of Vietnam	25%	-
BP-Braddel LLP ⁽¹⁾	Holding of property for rental income	Singapore	50%	51%
BP-TPM LLP ⁽¹⁾⁽⁷⁾	Holding of property for rental income	Singapore	51%	51%
BP-TN Pte Ltd ⁽¹⁾⁽³⁾⁽⁷⁾	Holding of property for rental income	Singapore	51%	-

⁽¹⁾ Audited by PricewaterhouseCoopers LLP, Singapore.

⁽²⁾ Audited by RSM Vietnam Auditing & Consulting Company Limited, Socialist Republic of Vietnam.

⁽³⁾ The Group held 100% equity interest in the investee prior to 3 March 2021.

⁽⁴⁾ Incorporated during the financial year.

⁽⁵⁾ Became dormant after the transaction with BIF as disclosed in Note 39(b).

⁽⁶⁾ The Group disposed a net 24.5% equity interest in the investee to BIF as disclosed in Note 39(b).

⁽⁷⁾ As the Group has joint control as a result of contractual agreements and rights to the net assets of the entity, the entity is therefore classified as joint venture.

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26. INVESTMENTS IN JOINT VENTURES (CONT'D)

The subsidiary of BP-Ubi Development Pte Ltd had obtained bank financing for its development of an investment property which the Group granted a proportional corporate guarantee as security for the bank loan. The outstanding bank loan amounted to \$Nil as at 31 March 2021 (2020: \$18,850,000).

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 \$3,188,000 as at 31 March 2021 (2020: \$13,596,000).

The carrying amounts of the Group's material joint ventures, namely BP-DOJO LLP, BP-TPM LLP, BP-Vista LLP, BP-Braddell LLP, BP-TN Pte. Ltd. and BP-Ubi Development Pte. Ltd. and its subsidiary are as follows:

	Group	
	2021	2020
	\$'000	\$'000
BP-DOJO LLP	13,749	14,753
BP-TPM LLP	13,365	15,036
BP-Vista LLP	21	6,191
BP-Braddell LLP	11,541	-*
BP-TN Pte. Ltd.	14,903	-
BP-Ubi Development Pte. Ltd. and its subsidiary	601	-*
Immaterial joint ventures	15,943	24,727
	70,123	60,707

* Not material in financial year ended 31 March 2020

The Group's share of results of its material joint ventures are as follows:

	Group	
	2021	2020
	\$'000	\$'000
BP-DOJO LLP	(750)	(3,009)
BP-TPM LLP	(332)	(237)
BP-Vista LLP	8,760	317
BP-Braddell LLP	(103)	-*
BP-TN Pte. Ltd.	83	-
BP-Ubi Development Pte. Ltd. and its subsidiary	3,610	-*
Immaterial joint ventures	512	165
	11,780	(2,764)

* Not material in financial year ended 31 March 2020

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26. INVESTMENTS IN JOINT VENTURES (CONT'D)

Set out below are the summarised financial information for BP-DOJO LLP, BP-TPM LLP, BP-Vista LLP, BP-Braddell LLP, BP-TN Pte. Ltd. and BP-Ubi Development Pte Ltd and its subsidiary.

Summarised statement of financial position of material joint ventures

	BP-DOJO LLP		BP-TPM LLP		BP-Vista LLP	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 31 March						
Current assets	14,601	10,032	8,252	8,525	3,196	13,172
Includes:						
- Cash and cash equivalents	8,909	4,882	3,721	2,627	3,101	4,494
Non-current assets	171,282	178,321	82,511	81,658	-	119,534
Current liabilities	(6,567)	(138,302)	(2,423)	(59,877)	(3,126)	(2,094)
Includes:						
- Financial liabilities (excluding trade and other payables)	-	(131,640)	-	(58,000)	-	-
- Other liabilities (including trade and other payables)	(6,567)	(6,662)	(2,423)	(1,877)	(3,126)	(2,094)
Non-current liabilities	(131,641)	-	(60,693)	-	-	(96,331)
Includes:						
- Financial liabilities	(131,641)	-	(60,693)	-	-	(96,331)
Net assets	47,675	50,051	27,647	30,306	70	34,281

	BP-Braddell LLP		BP-TN Pte. Ltd.	BP-Ubi Development Pte Ltd and its subsidiary	
	2021	2020	2021	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
As at 31 March					
Current assets	9,578	3,416	4,976	2,319	6,100
Includes:					
- Cash and cash equivalents	7,864	2,902	2,112	2,266	5,601
Non-current assets	105,530	78,156	44,031	-	26,456
Current liabilities	(9,520)	(2,487)	(1,393)	(1,117)	(2,737)
Includes:					
- Financial liabilities (excluding trade and other payables)	-	-	-	-	(800)
- Other liabilities (including trade and other payables)	(9,520)	(2,487)	(1,393)	(1,117)	(1,937)
Non-current liabilities	(75,842)	(55,577)	(8,758)	-	(18,560)
Includes:					
- Financial liabilities (excluding trade and other payables)	(75,842)	(53,623)	(7,165)	-	(18,050)
- Other liabilities (including trade and other payables)	-	(1,954)	(1,593)	-	(510)
Net assets	29,746	23,508	38,856	1,202	11,259

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26. INVESTMENTS IN JOINT VENTURES (CONT'D)

Summarised statement of comprehensive income of material joint ventures

	BP-DOJO LLP		BP-TPM LLP		BP-Vista LLP	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial year ended 31 March						
Revenue	11,113	9,582	6,464	-	10,285	11,440
Interest income	26	38	-	-	1	23
Other income	972	928	1,753	67	20,218	3,177
Expenses	(14,487)	(17,353)	(8,941)	(531)	(7,066)	(11,891)
Includes:						
- Depreciation and amortisation	(7,204)	(7,216)	(4,450)	-	(4,064)	(5,409)
- Interest expense	(2,847)	(4,244)	(1,181)	-	(1,387)	(2,930)
- Other expenses	(4,436)	(5,893)	(3,310)	(531)	(1,615)	(3,552)
(Loss)/Profit after income tax, representing total comprehensive (loss)/income	(2,376)	(6,805)	(724)	(464)	23,438	2,749
Share of (loss)/profit, net of tax (51%; 51%; 30%)	(1,212)	(3,471)	(369)	(237)	7,031	825
Amortisation of previously capitalised unrealised gains and losses	462	462	37	-	1,729	(508)
Share of (loss)/profit after income tax, representing total comprehensive (loss)/income	(750)	(3,009)	(332)	(237)	8,760	317

	BP-Braddell LLP		BP-TN Pte. Ltd.	BP-Ubi Development Pte Ltd and its subsidiary	
	2021	2020	2021 [#]	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
Financial year ended 31 March					
Revenue	444	-	493	2,220	3,260
Interest income	4	38	1	17	86
Other income	10	-	-	7,447	142
Expenses	(683)	(65)	(376)	(2,365)	(3,494)
Includes:					
- Depreciation and amortisation	(315)	-	(169)	(1,040)	(1,383)
- Interest expense	(129)	-	(21)	(339)	(662)
- Other expenses	(239)	(65)	(120)	(815)	(1,266)
- Income tax expense	-	-	(66)	(171)	(183)
(Loss)/Profit after income tax, representing total comprehensive (loss)/income	(225)	(27)	118	7,319	(6)
Share of (loss)/profit, net of tax (50%; 51%; 50%)	(113)	(14)	60	3,660	(3)
Amortisation of previously capitalised unrealised gains and losses	10	-	23	(50)	70
Share of (loss)/profit after income tax, representing total comprehensive (loss)/income	(103)	(14)	83	3,610	67

[#] BP-TN Pte. Ltd. ceased to be a subsidiary and became a joint venture on 3 March 2021. The amounts represent results subsequent to 3 March 2021.

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.

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26. INVESTMENTS IN JOINT VENTURES (CONT'D)

Reconciliation of summarised financial information of material joint ventures

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in material joint ventures is as follows:

	BP-DOJO LLP		BP-TPM LLP		BP-Vista LLP	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net assets						
Beginning of financial year	50,051	56,856	30,306	-	34,281	39,332
(Loss)/Profit for the financial year	(2,376)	(6,805)	(724)	(464)	23,438	2,749
Dividends paid	-	-	-	-	(13,778)	(7,800)
Capital (repayment)/contribution	-	-	(1,935)	30,770	(43,871)	-
End of financial year	47,675	50,051	27,647	30,306	70	34,281
Interests in joint ventures (51%; 51%; 30%)	24,314	25,526	14,100	15,456	21	10,284
Unrealised construction and project management margins	(10,565)	(10,773)	(735)	(420)	-	(4,093)
Carrying value	13,749	14,753	13,365	15,036	21	6,191

	BP-Braddell LLP		BP-TN Pte. Ltd.		BP-Ubi Development Pte Ltd and its subsidiary	
	2021 \$'000	2020 \$'000	2021 \$'000	2021 \$'000	2020 \$'000	2020 \$'000
Net assets						
Beginning of financial year/period	23,508	16,238	38,738 [#]	11,259	11,265	
(Loss)/Profit for the financial year/period	(225)	(27)	118 [#]	7,319	(6)	
Dividends paid	-	-	-	(6,558)	-	
Capital contribution/(repayment)	6,463	7,297	-	(10,818)	-	
End of financial year/period	29,746	23,508	38,856	1,202	11,259	
Interests in joint ventures (2021:50%; 51%; 50%, 2020:50%; Nil%; 50%)	14,873	8,523 [*]	19,817	601	5,630	
Unrealised construction and project management margins	(3,332)	(1,680)	(4,914)	-	(1,136)	
Carrying value	11,541	6,843	14,903	601	4,494	

* As at 31 March 2020, the Group has only contributed 36% of its capital contribution to BP-Braddell LLP. The remaining contribution was subsequently made in the financial year ended 31 March 2021.

[#] BP-TN Pte. Ltd. ceased to be a subsidiary and became a joint venture on 3 March 2021. The amounts represent financial information subsequent to 3 March 2021.

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27. INVESTMENTS IN SUBSIDIARIES

	Company	
	2021 \$'000	2020 \$'000
Equity shares at cost		
Beginning of financial year	121,587	121,587
Addition	4,658	-
Disposal of a subsidiary	(29,269)	-
End of financial year	96,976	121,587
Less: Allowance for impairment losses	(17,705)	(42,316)
	79,271	79,271
Loans to subsidiaries	22,188	23,069
Less: Allowance for impairment of loans to subsidiaries	(21,317)	(21,067)
	871	2,002
	80,142	81,273

The loans to subsidiaries are unsecured and interest-free. The loans to subsidiaries form part of the Company's net investment in subsidiaries as the Company does not expect to demand repayment of the loans in the foreseeable future.

Movement in the allowance for impairment losses of equity shares:

	Company	
	2021 \$'000	2020 \$'000
Beginning of financial year	42,316	38,205
Allowance made	-	4,111
Disposal of a subsidiary	(24,611)	-
End of financial year	17,705	42,316

Movement in the allowance for impairment of loans to subsidiaries:

	Company	
	2021 \$'000	2020 \$'000
Beginning of financial year	21,067	21,027
Allowance made	250	40
End of financial year	21,317	21,067

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27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of significant subsidiaries as at 31 March 2021 and 2020 are set out below:

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2021 %	2020 %
Significant subsidiaries held by the Company				
Boustead Projects Limited ⁽¹⁾⁽¹¹⁾	Investment holding and provision of engineering & construction services including design-and-build service and develop of industrial facilities and industrial parks for lease or sale	Singapore	52.7	52.7
Boustead Services Pte. Ltd. ⁽¹⁾	Provision of management services	Singapore	100.0	100.0
Esri Australia Pty Ltd ⁽²⁾	Exclusive distributor for Esri geospatial and provider of professional services and training	Australia	88.2	88.2
Esri South Asia Pte Ltd ⁽¹⁾	Exclusive distributor for Esri geospatial and provider of professional services and training	Singapore	88.2	88.2
Boustead Salcon Water Solutions Pte. Ltd. ⁽¹⁾⁽¹⁴⁾	Provide design, engineering and construction services of water and wastewater treatment plants	Singapore	-	100.0
Boustead Knowledge Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0
BIH Holdings Pte. Ltd. ⁽¹⁾	Investment holding	Singapore	100.0	100.0
Boustead Medical Care Holdings Pte. Ltd. (formerly known as WhiteRock Incorporation Private Limited) ⁽¹⁾	Investment holding	Singapore	100.0	100.0

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27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2021 %	2020 %
Significant subsidiaries held by the Company's subsidiaries				
Boustead Projects E&C Pte Ltd. ⁽¹⁾⁽¹¹⁾	Provide design, engineering, project management, construction management and property-related services	Singapore	52.7	52.7
BP Engineering Solutions Sdn Bhd ⁽⁹⁾⁽¹¹⁾	Provide design, engineering, project management, construction management and property-related services	Malaysia	52.7	52.7
Boustead Projects (Vietnam) Co. Ltd ⁽⁷⁾⁽¹¹⁾	Provide design, engineering, project management, construction management and property-related services	Socialist Republic of Vietnam	52.7	52.7
PIP Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Provide project management, design, construction and property-related services	Singapore	52.7	52.7
BP-EA Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Holding of property for rental income	Singapore	52.7	52.7
BP Lands Sdn Bhd ⁽⁹⁾⁽¹¹⁾	Investment holding	Malaysia	52.7	52.7
BP-TN Pte. Ltd. ⁽¹⁾⁽¹¹⁾⁽¹²⁾	Holding of property for rental income	Singapore	-	52.7
Wuxi Boustead Industrial Development Co. Ltd ⁽⁶⁾⁽¹¹⁾	Development of industrial space for lease/sale	People's Republic of China	52.7	52.7
Boustead Real Estate Fund ⁽¹⁾⁽¹¹⁾	Private business trust	Singapore	52.7	52.7
Boustead Trustees Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Trustee for real estate trust	Singapore	52.7	52.7

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27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2021 %	2020 %
Significant subsidiaries held by the Company's subsidiaries (cont'd)				
Boustead Funds Management Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Property fund management	Singapore	52.7	52.7
Boustead Property Services Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Management of properties	Singapore	52.7	52.7
BIF Property Services Pte. Ltd. ⁽¹⁾⁽¹¹⁾⁽¹³⁾	Property fund management	Singapore	52.7	-
BP-Real Estate Investment Pte. Ltd. ⁽¹⁾⁽¹¹⁾⁽¹³⁾	Investment holding	Singapore	52.7	-
BP-TPM1 Pte Ltd ⁽¹⁾⁽¹¹⁾	Investment holding	Singapore	52.7	52.7
BP Xilin Sdn. Bhd. (formerly known as BP Batu Kawan Sdn. Bhd.) ⁽¹⁰⁾⁽¹¹⁾	Investment holding	Malaysia	52.7	52.7
BP Aerotech (Subang) Sdn Bhd ⁽¹⁰⁾⁽¹¹⁾	Investment holding	Malaysia	52.7	52.7
BP Malaysia Airports Subang Aerotech Sdn. Bhd. ⁽⁹⁾⁽¹¹⁾	Investment holding	Malaysia	36.9	36.9
BPMA HS Sdn. Bhd. ⁽⁹⁾⁽¹¹⁾	Investment holding	Malaysia	36.9	36.9
Controls & Electrics Pte Ltd ⁽¹⁾	Design, engineering and supply of process control systems	Singapore	94.4	94.4
MapData Services Pty Ltd ⁽²⁾	Provider of geospatial and data sets	Australia	88.2	88.2
Esri Malaysia Sdn Bhd ⁽⁴⁾	Exclusive distributor for Esri geospatial and provider of professional services and training	Malaysia	88.2	88.2
Esri Singapore Pte Ltd ⁽¹⁾	Exclusive distributor for Esri geospatial and provider of professional services and training	Singapore	88.2	88.2
PT Esri Indonesia ⁽⁵⁾	Exclusive distributor for Esri geospatial and provider of professional services and training	Indonesia	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	The United Kingdom	100.0	100.0

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27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2021 %	2020 %
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
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
BMEC Pte. Ltd. (formerly known as United BMEC Pte. Ltd.) ⁽¹⁾	Distribution of medical and rehabilitation equipment	Singapore	100.0	100.0
BMEC Sleep Care Pte. Ltd. (formerly known as WhiteRock Medical Asia Pte. Ltd.) ⁽¹⁾	Distribution of medical devices	Singapore	100.0	100.0
BMEC (HK) Limited (formerly known as WhiteRock Medical Limited) ⁽⁸⁾	Distribution of medical and rehabilitation equipment	Hong Kong	100.0	100.0
BMEC Medisolution Pte. Ltd. (formerly known as Medisolution Pte. Ltd.) ⁽¹⁾	Manufacturers, designers, maintainers and dealers in biomedical and rehabilitation engineering products, apparatus of every description and other related activities	Singapore	100.0	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 Wuxi DaZhong Certified Public Accountants China Co., Ltd., People's Republic of China.⁽⁷⁾ Audited by RSM Vietnam Auditing & Consulting Company Limited, Socialist Republic of Vietnam.⁽⁸⁾ Audited by independent member of Baker Tilly Hong Kong Limited, Hong Kong.⁽⁹⁾ Audited by KPMG PLT, Malaysia.⁽¹⁰⁾ Audited by CLW & Associates, Malaysia.⁽¹¹⁾ Changes in equity holding are resultant from purchase/re-issuance of treasury shares by Boustead Projects Limited.⁽¹²⁾ On 3 March 2021, the Group disposed 49% of equity interest in the investee (Note 39(b)) and it became an investment in joint venture of the Group.⁽¹³⁾ Incorporated during the financial year.⁽¹⁴⁾ Disposed during the financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Carrying value of non-controlling interests

	2021 \$'000	2020 \$'000
Boustead Projects Limited and its subsidiaries ("BP Group")	201,368	140,430
Other subsidiaries	17,352	13,673
	218,720	154,103

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.

Summarised consolidated statement of financial position

	BP Group 31 March	
	2021 \$'000	2020 \$'000
Current		
Assets	416,002	339,453
Liabilities	(202,676)	(249,860)
Total current net assets	213,326	89,593
Non-current		
Assets	308,891	332,069
Liabilities	(96,494)	(124,377)
Total non-current net assets	212,397	207,692
Net assets	425,723	297,285

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

27. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Summarised consolidated income statement

	BP Group	
	For the financial year ended 31 March	
	2021 \$'000	2020 \$'000
Revenue	301,405	426,224
Profit before income tax	140,564	27,455
Income tax expense	(8,922)	(5,330)
Profit after tax	131,642	22,125
Other comprehensive (loss)/income, net of tax	(454)	154
Total comprehensive income	131,188	22,279
Total comprehensive income allocated to non-controlling interests	62,095	10,409
Dividends paid to non-controlling interests	(1,178)	(2,936)

Summarised consolidated cash flows

	BP Group	
	For the financial year ended 31 March	
	2021 \$'000	2020 \$'000
Net cash provided by operating activities	36,793	107,181
Net cash provided by/(used in) investing activities	256,621	(91,114)
Net cash (used in)/provided by financing activities	(123,921)	3,816

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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	
	2021 \$'000	2020 \$'000
Deferred income tax assets	13,602	7,934
Deferred income tax liabilities	(788)	(5,167)
	12,814	2,767

The movement in the net deferred income tax account is as follows:

	Group	
	2021 \$'000	2020 \$'000
Beginning of financial year	2,767	1,114
Currency translation differences	382	(163)
Unrealised gain on disposal due to retained interest in BIF	(598)	-
Disposal of a subsidiary	1,577	-
Tax charged to		
- profit or loss (Note 11(a))	8,552	2,143
- other comprehensive income	134	(327)
End of financial year	12,814	2,767

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 2021, the Group has unrecognised tax losses and unrecognised capital allowances of \$27,140,000 (2020: \$47,971,000) 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 2021, deferred income tax liabilities of \$2,567,000 (2020: \$2,146,000) 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 \$16,312,000 (2020: \$12,997,000) at the reporting date.

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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
2021					
Beginning of financial year	(720)	(80)	(4,592)	(624)	(6,016)
Currency translation differences	(66)	(43)	15	(2)	(96)
Disposal of subsidiaries	-	-	1,051	363	1,414
Others	-	-	-	(331)	(331)
Credited to profit or loss	667	(23)	2,140	103	2,887
End of financial year	(119)	(146)	(1,386)	(491)	(2,142)
2020					
Beginning of financial year	(1,628)	(87)	(3,424)	(671)	(5,810)
Currency translation differences	133	7	(27)	(100)	13
Credited/(Charged) to profit or loss	775	-	(1,141)	147	(219)
End of financial year	(720)	(80)	(4,592)	(624)	(6,016)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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: (cont'd)

Group

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	Tax losses	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021							
Beginning of financial year	4,611	917	185	2,128	-	942	8,783
Currency translation differences	-	9	109	467	-	(107)	478
Disposal of subsidiaries	163	-	-	-	-	-	163
Others	-	-	-	-	-	(267)	(267)
Credited/(Charged) to							
- profit or loss	(437)	-	324	766	5,162	(150)	5,665
- other comprehensive income	-	-	-	-	-	134	134
End of financial year	4,337	926	618	3,361	5,162	552	14,956
2020							
Beginning of financial year	3,196	-	287	2,249	-	1,192	6,924
Currency translation differences	-	(23)	(80)	(229)	-	156	(176)
Credited/(Charged) to							
- profit or loss	1,415	940	(22)	108	-	(79)	2,362
- other comprehensive income	-	-	-	-	-	(327)	(327)
End of financial year	4,611	917	185	2,128	-	942	8,783

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

29. TRADE AND OTHER PAYABLES

	Group		Company	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<i>Current</i>				
Trade payables	67,524	71,254	-	-
Retention sum payables	15,772	14,075	-	-
Accruals for contract costs	93,226	73,122	-	-
Accruals for operating expenses	49,793	26,507	2,576	965
Provision for onerous contracts	7,413	826	-	-
Other payables	10,919	13,131	4,902	3,656
Deposits	4,747	5,439	-	-
Advanced billings - property rental income	1,091	2,844	-	-
Share of accumulated loss in excess of cost of investment in an associate (Note 25)	1,406	1,464	-	-
Deferred grant income	20	843	-	40
Dividends payable to non-controlling interests	793	4	-	-
	252,704	209,509	7,478	4,661
<i>Non-current</i>				
Retention sum payables	17,475	13,376	-	-
Unrealised gain on disposal due to retained interests in an associate - net (Note 25)	32,536	-	-	-
Other payables	4,079	1,137	-	-
	54,090	14,513	-	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

30. BORROWINGS

	Group	
	2021 \$'000	2020 \$'000
Bank borrowings		
- Current	2,541	92,663
- Non-current	4,427	26,330
Total	6,968	118,993

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	
	2021 \$'000	2020 \$'000
3 months or less	1,968	118,993

(a) Security granted

Total borrowings include secured liabilities of \$1,968,000 (2020: \$61,314,000) for the Group. As at 31 March 2021, bank borrowings are secured over a banker's guarantee while as at 31 March 2020, bank borrowings are secured over the Group's properties held for sale (Note 18), investment properties (Note 21) and a banker's guarantee.

(b) Fair value of non-current borrowings

As at 31 March 2021, carrying amount of non-current borrowings of \$4,427,000 with fixed interest rate approximated their fair values, which was computed based on the present value of the cash flows on the borrowings discounted at the rate of 2%. The borrowing rate is based on an equivalent instrument that the directors expected would be available to the Group at the reporting date.

As at 31 March 2020, carrying amounts of non-current borrowings of \$26,330,000 approximated their fair values as all the amounts were at floating interest rates and were revised every one to three months.

The fair value of borrowings are within level 2 of the fair values hierarchy.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

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 2021						
<i>Derivatives not held for hedging:</i>						
- Currency forwards	74,179	1,628	(528)	5,029	-	(95)
		1,628	(528)		-	(95)
31 March 2020						
<i>Derivatives not held for hedging:</i>						
- Currency forwards	20,467	-	(103)	3,970	-	(9)
		-	(103)		-	(9)

32. PENSION LIABILITIES

The Group operates a funded defined benefit pension scheme in the United Kingdom and an unfunded defined benefit pension scheme in Indonesia.

	Group	
	2021 \$'000	2020 \$'000

The amount recognised in the statement of financial position relates to funded and unfunded plans as follows:

Present value of funded obligation	26,196	22,780
Fair value of plan assets	(26,153)	(22,655)
Deficit of funded plans	43	125
Present value of unfunded obligation	257	285
Total deficit of defined benefit pension plans	300	410

Notes to the Financial Statements

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32. PENSION LIABILITIES (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:

	2021	2020
Discount rate (per annum)	2.05%	2.35%
Rate of price inflation (per annum)	3.20%	2.80%
Rate of increase in salaries (per annum)	2.85%	2.00%
Post-retirement mortality assumption	100% of S3PXA, CMI 2018 projections, 1.25% per annum long-term rate of improvement, smoothing parameter of 7 and initial addition rate of 0% per annum	100% of S3PXA, CMI 2018 projections, 1.25% per annum long-term rate of improvement, smoothing parameter of 7 and initial addition rate of 0% per annum

The sensitivity of the defined benefit obligation to changes in the key assumptions is:

- a 0.10% (2020: 0.10%) decrease in discount rate would increase liabilities by \$408,000 (2020: \$353,000).
- a 0.10% (2020: 0.10%) increase in rate of price inflation would increase liabilities by \$254,000 (2020: \$335,000).
- a 0.25% (2020: 0.25%) increase in mortality long-term rate would increase liabilities by \$273,000 (2020: \$212,000).

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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

32. PENSION LIABILITIES (CONT'D)

(a) Funded defined benefit pension scheme in the United Kingdom (cont'd)

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
2021			
Beginning of financial year	22,780	(22,655)	125
Past service cost	7	-	7
Interest expense/(income)	530	(536)	(6)
Remeasurements:			
- Gain on plan assets, excluding amounts included in interest income	-	(1,934)	(1,934)
- Loss from change in financial assumptions	2,873	-	2,873
- Experience gains	(232)	-	(232)
- Tax on remeasurement	(501)	367	(134)
	2,140	(1,567)	573
Currency translation differences	1,728	(1,589)	139
Contributions:			
- Employers	-	(795)	(795)
Payment from plans:			
- Benefit payments	(989)	989	-
End of financial year	26,196	(26,153)	43
2020			
Beginning of financial year	25,002	(22,433)	2,569
Interest expense/(income)	609	(554)	55
Remeasurements:			
- Loss on plan assets, excluding amounts included in interest income	-	324	324
- Gain from change in demographic assumption	(628)	-	(628)
- Gain from change in financial assumptions	(1,163)	-	(1,163)
- Experience gains	(253)	-	(253)
- Tax on remeasurement	389	(62)	327
	(1,655)	262	(1,393)
Currency translation differences	(412)	56	(356)
Contributions:			
- Employers	-	(750)	(750)
Payment from plans:			
- Benefit payments	(764)	764	-
End of financial year	22,780	(22,655)	125

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

32. PENSION LIABILITIES (CONT'D)

(a) Funded defined benefit pension scheme in the United Kingdom (cont'd)

Plan assets are comprised as follows:

	Group	
	2021 \$'000	2020 \$'000
Diversified growth funds	10,616	8,609
Index-linked gilts	5,679	8,835
Corporate bonds	9,858	5,211
	26,153	22,655

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 financial year ending 31 March 2022 is approximately \$853,000. Additional contributions will be agreed with the trustees when necessary.

The weighted average duration of the defined benefit obligation is 17 years (2020: 18 years).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

32. PENSION LIABILITIES (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:

	2021	2020
Discount rate (per annum)	7.40%	8.60%
Rate of increase in salaries (per annum)	3.60%	3.60%
Post-retirement mortality assumption	Indonesia - IV (2019)	Indonesia - III (2011)

The sensitivity of the defined benefit obligation to changes in the key assumptions is:

- a 1.00% (2020: 1.00%) decrease in discount rate would increase liabilities by \$31,000 (2020: \$18,000).
- a 1.00% (2020: 1.00%) increase in discount rate would decrease liabilities by \$26,000 (2020: \$16,000).

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.

The movement in the present value of obligation is as follows:

	2021 \$'000	2020 \$'000
Beginning of financial year	285	262
Current service cost	81	85
Interest expense	26	22
	107	107
Remeasurements:		
- Gain from change in demographic assumptions	(105)	(22)
- Loss/(Gain) from change in financial assumptions	31	(46)
- Experience gains	(1)	(43)
	(75)	(111)
Currency translation differences	(7)	34
Payment from plans:		
- Benefit payments	(53)	(7)
End of financial year	257	285

The average duration of the defined benefit obligation is 11 years (2020: 10 years).

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

33. SHARE CAPITAL AND TREASURY SHARES

	← No. of ordinary shares →		← Amount →	
	Issued share capital	Treasury shares	Share capital	Treasury shares
	'000	'000	\$'000	\$'000
Group and Company				
2021				
Beginning of financial year	500,067	(12,893)	74,443	(9,309)
Purchase of treasury shares	-	(3,144)	-	(2,457)
End of financial year	500,067	(16,037)	74,443	(11,766)
2020				
Beginning of financial year	494,985	(2,000)	70,758	(1,488)
Purchase of treasury shares	-	(10,893)	-	(7,821)
Issue of new shares pursuant to scrip dividend scheme	5,082	-	3,685	-
End of financial year	500,067	(12,893)	74,443	(9,309)

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.

(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 for a period of ten years. 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.

There are no outstanding shares under the 2011 Share Plan as at 31 March 2021 and 2020.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

33. SHARE CAPITAL AND TREASURY SHARES (CONT'D)

(b) Employee share plans – Boustead Projects Restricted Share Plan 2016 (the “2016 Share Plan”)

The Boustead Projects Restricted Share Plan 2016 (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 awards granted and vested pursuant to the 2016 Share Plan during the financial year are as follows:

	2021	2020
<u>Number of shares</u>		
Beginning of financial year	815,990	1,788,085
Forfeited during the financial year	-	(24,741)
Vested and issued during the financial year	(664,999)	(947,354)
End of financial year	150,991	815,990

Share awards outstanding at the end of the financial year had a weighted average remaining contractual life of less than one month (2020: less than one year).

The fair value was determined based on the market value of the BP’s shares at the grant date. No share awards were granted during the financial year.

BP re-issued its treasury shares for share awards vested during the financial year. Cost of the treasury shares re-issued was \$0.80 (2020: \$0.81) each.

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34. OTHER RESERVES

		Group		Company	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
(a)	Composition:				
	Foreign currency translation reserve	6,280	(3,952)	-	-
	Share-based compensation reserve	65	335	-	-
	Capital reserve	(13,074)	(12,050)	2,398	2,398
	Fair value reserve	5,743	5,694	-	-
	Hedging reserve	-	-	-	-
		(986)	(9,973)	2,398	2,398
(b)	Movement:				
(i)	<u>Foreign currency translation reserve</u>				
	Beginning of financial year	(3,952)	(654)	-	-
	Share of other comprehensive income/(loss) of associates	892	(511)	-	-
	Net currency translation differences arising from consolidation	10,070	(3,168)	-	-
	Employee share-based compensation				
	- Treasury shares re-issued by a subsidiary	(2)	(1)	-	-
	Purchase of treasury shares by a subsidiary	1	-	-	-
	Effects of acquisition of shares from non-controlling interests	-	(2)	-	-
	Less: Non-controlling interests	(737)	384	-	-
	Disposal of a subsidiary	8	-	-	-
	End of financial year	6,280	(3,952)	-	-
(ii)	<u>Share-based compensation reserve</u>				
	Beginning of financial year	335	654	-	-
	Employee share-based compensation				
	- Value of employee services	33	189	-	-
	- Treasury shares re-issued by a subsidiary	(2)	(790)	-	-
	Purchase of treasury shares by a subsidiary	(542)	-	-	-
	Less: Non-controlling interests	241	282	-	-
	End of financial year	65	335	-	-
(iii)	<u>Capital reserve</u>				
	Beginning of financial year	(12,050)	(12,724)	2,398	2,135
	Employee share-based compensation				
	- Treasury shares re-issued by a subsidiary	(2)	790	-	-
	Purchase of treasury shares by a subsidiary	351	-	-	-
	Issue of new shares pursuant to scrip dividend scheme	-	263	-	263
	Less: Non-controlling interests	(219)	(379)	-	-
	Disposal of a subsidiary	(1,154)	-	-	-
	End of financial year	(13,074)	(12,050)	2,398	2,398
(iv)	<u>Fair value reserve</u>				
	Beginning of financial year	5,694	5,778	-	7
	Fair value gain	106	33	-	144
	Reclassification to profit or loss on disposal (Note 6)	-	(151)	-	(151)
	Employee share-based compensation				
	- Treasury shares re-issued by a subsidiary	(23)	(18)	-	-
	Purchase of treasury shares by a subsidiary	16	-	-	-
	Less: Non-controlling interests	(50)	52	-	-
	End of financial year	5,743	5,694	-	-
(v)	<u>Hedging reserve</u>				
	Beginning of financial year	-	(9)	-	-
	Realised and transferred to profit or loss	-	17	-	-
	Less: Non-controlling interests	-	(8)	-	-
	End of financial year	-	-	-	-

Other reserves are non-distributable.

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35. RETAINED PROFITS

- (a) Retained profits of the Group are distributable except for accumulated retained profits of associates and joint ventures amounting to \$8,043,000 (2020: \$3,991,000) and 10% of accumulated retained profits of a subsidiary in the People's Republic of China amounting to \$339,000 (2020: \$276,000).
- (b) Retained profits of the Company are distributable. Movement in retained profits for the Company is as follows:

	Company	
	2021 \$'000	2020 \$'000
Beginning of financial year	36,290	55,223
Profit/(Loss) for the financial year	10,739	(3,998)
Dividends paid		
- In cash (Note 36)	(14,598)	(10,987)
- In scrip (Note 36)	-	(3,948)
End of financial year	32,431	36,290

36. DIVIDENDS

	Company	
	2021 \$'000	2020 \$'000
2.0 cents (2020: 2.0 cents) final tax-exempt (one-tier) cash dividend (2020: cash dividend/scrip dividend) per ordinary share paid in respect of the previous financial year	9,743	10,023
1.0 cent (2020: 1.0 cent) interim tax-exempt (one-tier) cash dividend per ordinary share paid in respect of the current financial year	4,855	4,912
	14,598	14,935

At the Annual General Meeting on 28 July 2021, a final tax-exempt (one-tier) cash dividend of 3.0 cents per ordinary share and a special tax-exempt (one-tier) cash dividend of 4.0 cents per ordinary share amounting to approximately \$33,882,000 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 2022.

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37. CONTINGENCIES

Contingent liabilities

- (a) As at 31 March 2021, the Group and the 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. The earliest period that the guarantees could be called is upon demand.
- (i) The Group has given guarantees in favour of banks in respect of loan facilities granted to a related party* and a joint venture. The outstanding guarantees amounting to \$2,972,000 (2020: \$12,649,000) at the reporting date.
 - (ii) The Company has given guarantees in favour of banks in respect of loan facilities granted to a subsidiary. The outstanding guarantees amounting to \$1,916,000 (2020: \$1,101,000) at the reporting date.
 - (iii) The Company has given guarantees for its subsidiaries' performance guarantees issued by banks in respect of performance on certain contracts in favour of third parties amounting to \$3,129,000 at the reporting date (2020: \$1,402,000).
 - (iv) The Group and the Company have procured performance guarantees amounting to \$115,761,000 (2020: \$148,686,000) and \$274,000 (2020: \$14,006,000) respectively issued by banks in favour of third parties in respect of performance on contracts with customers.

* A related party refers to a subsidiary of an associate.

- (b) On 27 November 2018, the Company's subsidiary, Boustead Project Limited ("BP"), was served with a writ of summons (Suit No 1141 of 2020), filed by YCH Holdings (Pte) Ltd ("YCH") in the High Court of the Republic of Singapore (the "Suit"). YCH was claiming breach of contractual obligations, damage and costs.

On 24 May 2020, BP reached a settlement with YCH without admission of liability and purely with a view to resolving the suit amicably, as well as to prevent escalating of legal costs. Under the agreement, BP paid YCH \$800,000 and retained the sum of \$2,335,000 that YCH previously had paid to BP. YCH had applied to the Court to discontinue the Suit on 28 May 2020. By consent of YCH and BP, the Court granted leave to discontinue the Suit on 1 June 2020.

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. 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, the People's Republic of 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. The Group does not apply hedge accounting in relation to these currency contracts.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (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 2021					
Financial assets					
Cash and cash equivalents	24,200	7,555	206	4,469	-
Trade receivables	17,822	-	-	6,707	-
Other receivables and prepayments	-	9	-	-	-
Investment securities	5,183	-	-	-	-
Intercompany receivables	1,290	4,258	6,240	-	-
	48,495	11,822	6,446	11,176	-
Financial liabilities					
Trade and other payables	(21,302)	-	(36)	(6,882)	(2)
Intercompany payables	(1,783)	(1,056)	(518)	-	(35,968)
	(23,085)	(1,056)	(554)	(6,882)	(35,970)
Add: Derivative financial instruments	15,531	-	-	(33,622)	(5,123)
Currency exposure of financial assets/(liabilities)	40,941	10,766	5,892	(29,328)	(41,093)
At 31 March 2020					
Financial assets					
Cash and cash equivalents	26,422	3,154	290	1,128	2
Trade receivables	25,096	18	-	4,107	-
Other receivables and prepayments	14	10	11	1,723	-
Investment securities	2,812	-	-	-	-
Intercompany receivables	2,616	19,258	4,611	-	103
	56,960	22,440	4,912	6,958	105
Financial liabilities					
Trade and other payables	(14,743)	(8)	(84)	(5,093)	(20)
Intercompany payables	(3,269)	(1,910)	(605)	-	(18,278)
	(18,012)	(1,918)	(689)	(5,093)	(18,298)
Add: Derivative financial instruments	(9,174)	-	-	(20,609)	-
Currency exposure of financial assets/(liabilities)	29,774	20,522	4,223	(18,744)	(18,193)

⁽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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Company's principal currency exposure based on the information provided to key management is as follows:

	31 March 2021		31 March 2020	
	USD \$'000	AUD \$'000	USD \$'000	AUD \$'000
Company				
Financial assets				
Cash and cash equivalents	141	-	469	-
Investment securities	5,183	-	2,812	-
	5,324	-	3,281	-
Financial liabilities				
Intercompany payable	-	(35,160)	-	(17,560)
	-	(35,160)	-	(17,560)
Less: Derivative financial instruments	-	(5,123)	(3,979)	-
Currency exposure of financial assets/(liabilities)	5,324	(40,283)	(698)	(17,560)

Notes to the Financial Statements

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38. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The following table details the sensitivity to a 10% (2020: 10%) increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% (2020: 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% (2020: 10%) change in foreign currency rates.

If the relevant foreign currency change against the SGD by 10% (2020: 10%) with all other variables including tax rate being held constant, the effects to the profit after tax of the Group and the Company arising from the net financial liability/asset position will be as follows:

	← Increase/(Decrease) →	
	31 March 2021	31 March 2020
	Profit after tax	Profit after tax
	\$'000	\$'000
Group		
USD against SGD		
- Strengthened	3,398	2,471
- Weakened	(3,398)	(2,471)
MYR against SGD		
- Strengthened	489	351
- Weakened	(489)	(351)
EUR against SGD		
- Strengthened	(2,434)	(1,556)
- Weakened	2,434	1,556
AUD against SGD		
- Strengthened	(3,411)	(1,510)
- Weakened	3,411	1,510
SGD against IDR		
- Strengthened	176	175
- Weakened	(176)	(175)
SGD against GBP		
- Strengthened	757	1,632
- Weakened	(757)	(1,632)
Company		
USD against SGD		
- Strengthened	442	(58)
- Weakened	(442)	58
AUD against SGD		
- Strengthened	(3,343)	(1,457)
- Weakened	3,343	1,457

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (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, 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 and financial assets, at FVPL had changed by 10% (2020: 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 2021		31 March 2020	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	\$'000	\$'000	\$'000	\$'000

Group

Financial assets, at FVOCI

Unquoted equity securities

- increased by	-	3,142	-	3,132
- decreased by	-	(3,142)	-	(3,132)

Financial assets, at FVPL

Quoted equity securities

- increased by	-	-	193	-
- decreased by	-	-	(193)	-

Quoted debt securities

- increased by	-	-	795	-
- decreased by	-	-	(795)	-

Unquoted equity securities

- increased by	655	-	361	-
- decreased by	(655)	-	(361)	-

Notes to the Financial Statements

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38. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (cont'd)

(ii) Price risk (cont'd)

	Increase/(Decrease)			
	31 March 2021		31 March 2020	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	\$'000	\$'000	\$'000	\$'000
Company				
Financial assets, at FVPL				
Quoted equity securities				
- increased by	-	-	193	-
- decreased by	-	-	(193)	-
Quoted debt securities				
- increased by	-	-	795	-
- decreased by	-	-	(795)	-
Unquoted equity securities				
- increased by	518	-	281	-
- decreased by	(518)	-	(281)	-

(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 associates and loan to 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 \$123,000 (2020: lower/higher by \$329,000) as a result of higher/lower interest income from loans to an associate 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 \$496,000 (2020: lower/higher by \$355,000), as a result of higher/lower interest income on loans to subsidiaries and higher/lower interest expense on loans from subsidiaries.

* Subsidiary of an associate.

Notes to the Financial Statements

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38. FINANCIAL RISK MANAGEMENT (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 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 are four (2020: three) external customers 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 associate, a related party and a joint venture, as disclosed in Note 37(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	Retention sum receivables	Contract assets	Loan to an associate	Other receivables	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group						
2021						
Beginning of financial year	27,286	-	1,002	1,689	5,133	35,110
Currency translation differences	(236)	-	-	-	2	(234)
Loss allowance recognised in profit or loss during the year on:						
- Allowance made	-	-	-	1,527	-	1,527
Loss accounted for against loans (Note 25)	-	-	-	833	-	833
Write off	-	-	(906)	-	-	(906)
End of financial year	27,050	-	96	4,049	5,135	36,330
2020						
Beginning of financial year	29,292	73	4,061	-	5,629	39,055
Currency translation differences	(4)	-	70	-	31	97
Loss allowance recognised in profit or loss during the year on:						
- Allowance made	249	-	932	918	1,489	3,588
- Allowance written back	(195)	-	-	-	-	(195)
Loss accounted for against loans (Note 25)	-	-	-	771	-	771
Write off	(2,056)	(73)	(4,061)	-	(2,016)	(8,206)
End of financial year	27,286	-	1,002	1,689	5,133	35,110

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38. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

	Other receivables
	\$'000
Company	
2021	
Beginning and end of financial year	-
2020	
Beginning of financial year	2,016
Write off	(2,016)
End of financial year	-

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 macroeconomic 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.

Notes to the Financial Statements

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38. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2021 and 31 March 2020 are set out in the provision matrix as follows:

	← Past due →				Total
	Current	Within 30 days	30 to 60 days	>60 days	
	\$'000	\$'000	\$'000	\$'000	\$'000

Group

As at 31 March 2021

Expected loss rate	-	-	-	79.4%	
Trade receivables	84,677	7,204	1,007	34,085	126,973
Loss allowance	-	-	-	(27,050)	(27,050)

As at 31 March 2020

Expected loss rate	-	-	-	88.2%	
Trade receivables	93,563	2,506	1,901	30,937	128,907
Loss allowance	-	-	-	(27,286)	(27,286)

Cash and cash equivalents

The Group and the Company held cash and cash equivalents with banks which have good credit-ratings and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

Finance lease receivables and other receivables

The Group and the Company monitor the credit risk of the counterparty based on past due information to assess if there is any significant increase in credit risk. The receivables are measured on 12-months expected credit losses.

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.

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38. FINANCIAL RISK MANAGEMENT (CONT'D)

(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 19.

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 19) 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. The maximum amount of the financial guarantee contracts is 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 2021			
Trade and other payables	249,988	21,554	-
Borrowings	2,640	4,680	-
Lease liabilities	7,308	19,112	75,640
Financial guarantees	2,972	-	-
At 31 March 2020			
Trade and other payables	206,315	14,513	-
Borrowings	94,156	26,992	-
Lease liabilities	9,830	29,985	117,099
Financial guarantees	12,649	-	-
Company			
At 31 March 2021			
Trade and other payables	7,478	-	-
Loans from subsidiaries	89,188	-	-
Financial guarantees	1,916	-	-
At 31 March 2020			
Trade and other payables	4,661	-	-
Loans from subsidiaries	80,734	-	-
Financial guarantees	1,101	-	-

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FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (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 \$'000
Group	
At 31 March 2021	
Gross-settled currency forwards	
- Receipts	73,746
- Payments	(72,645)
At 31 March 2020	
Gross-settled currency forwards	
- Receipts	29,687
- Payments	(29,790)
Company	
At 31 March 2021	
Gross-settled currency forwards	
- Receipts	5,029
- Payments	(5,123)
At 31 March 2020	
Gross-settled currency forwards	
- Receipts	3,970
- Payments	(3,979)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (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 prior year, 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 2021 and 31 March 2020.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Group	Company
	\$'000	\$'000
31 March 2021		
Financial assets, at FVPL	8,175	5,183
Financial liabilities, at FVPL	528	95
Financial assets, at FVOCI	31,421	-
Financial assets, at amortised cost	720,979	108,207
Financial liabilities, at amortised cost	333,064	95,838
31 March 2020		
Financial assets, at FVPL	18,187	12,687
Financial liabilities, at FVPL	103	9
Financial assets, at FVOCI	31,315	-
Financial assets, at amortised cost	513,717	95,510
Financial liabilities, at amortised cost	435,871	84,265

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (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	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Group				
31 March 2021				
<i>Assets</i>				
Investment securities	-	5,183	32,785	37,968
Derivative financial instruments	-	1,628	-	1,628
Total assets	-	6,811	32,785	39,596
<i>Liabilities</i>				
Derivative financial instruments	-	(528)	-	(528)
Total liabilities	-	(528)	-	(528)
31 March 2020				
<i>Assets</i>				
Investment securities	9,876	2,811	36,815	49,502
Total assets	9,876	2,811	36,815	49,502
<i>Liabilities</i>				
Derivative financial instruments	-	(103)	-	(103)
Total liabilities	-	(103)	-	(103)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Fair value measurements (cont'd)

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Company				
31 March 2021				
<i>Assets</i>				
Investment securities	-	5,183	-	5,183
Total assets	-	5,183	-	5,183
<i>Liabilities</i>				
Derivative financial instruments	-	(95)	-	(95)
Total liabilities	-	(95)	-	(95)
31 March 2020				
<i>Assets</i>				
Investment securities	9,876	2,811	-	12,687
Total assets	9,876	2,811	-	12,687
<i>Liabilities</i>				
Derivative financial instruments	-	(9)	-	(9)
Total liabilities	-	(9)	-	(9)

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.

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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

38. FINANCIAL RISK MANAGEMENT (CONT'D)

(f) Fair value measurements (cont'd)

The following table presents the changes in Level 3 instruments:

	Unquoted equity instruments, held as Financial assets, at FVOCI \$'000	Debt instruments, held as Financial assets, at FVPL \$'000	Others \$'000
2021			
Beginning of financial year	31,315	4,700	800
Purchases	-	-	564
Disposal	-	(4,700)	-
Fair value gain recognised in other comprehensive income	106	-	-
End of financial year	31,421	-	1,364
2020			
Beginning of financial year	31,426	4,700	400
Purchases	-	-	400
Fair value gain recognised in other comprehensive income	(111)	-	-
End of financial year	31,315	4,700	800

Details of inputs used in Level 3 fair value measurements are as follows:

Description	Valuation technique	Fair value at 31 March 2021 (\$'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	31,421 (2020: 31,315)	Capitalisation rate	4.0% - 5.0% (2020: 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	- (2020: 4,700)	Risk-adjusted discount rate	- (2020: 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 2021

39. 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	
	2021 \$'000	2020 \$'000
Lease payment to joint ventures	1,649	1,575
Project and development management fees from joint ventures*	(529)	(1,722)
Construction contract revenue from joint ventures*	(29,444)	(47,972)
Management fee from an associate	24	24
Sale of goods to associates	(1,295)	(1,457)
Payments made on behalf and reimbursement of expenses to an associate	(26)	1,148
Asset, property and lease management fees from joint ventures	(2,527)	(1,826)
Purchase of goods	1,071	-
Lease payment to an associate	69	-
Rental rebate from joint ventures	(509)	-
Assets, acquisition and property management fees from an associate*	(1,116)	-
Interest income from:		
- Associates	(1,104)	(891)
- A related party (a subsidiary of an associate)	(338)	(401)
- A joint venture	(164)	(274)

* Transaction values disclosed are after elimination of the Group's shares in the transaction.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

39. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Disposal/partial disposal of properties, a subsidiary and joint ventures to Boustead Industrial Fund ("BIF")

On 3 March 2021, the Group (including two joint ventures of the Group) disposed properties, 49.0% equity interest of its wholly-owned subsidiary, BP-TN Pte. Ltd. ("BP-TN"), 49.0% interest of its joint venture, BP-SF Turbo LLP ("Turbo") and 50.0% interest of its joint venture, BP-CA3 LLP to Boustead Industrial Fund ("BIF").

The Group's share of the consideration from the disposals amounted to \$332,874,000. As at 31 March 2021, consideration due to the Group amounting to \$517,000 in relation to sale of interest in BP-TN, \$12,000 in relating to sale of interest in Turbo and \$3,800,000 in relation to sale of a property, remained outstanding. These amounts would be received subject to the finalisation of certain conditions.

The Group used part of the cash consideration to subscribe for notes amounting to \$59,000,000 and 25% equity units amounting to \$13,675,000 issued by BIF.

After the transaction, BP-TN ceased to be a subsidiary and became a joint venture of the Group and BIF became an associate of the Group. In addition, a wholly-owned subsidiary of the Group, Boustead Industrial Fund Management Pte. Ltd. became the Fund Manager of BIF.

Total gains on the transaction, net of rental guarantee and unrealised gain arising from retained interest in BIF, recognised by the Group during the financial year ended 31 March 2021 are as follows:

	2021 \$'000
Gain on disposal of properties	162,960
Gain on partial disposal of a subsidiary	12,723
Gain on partial disposal of a joint venture	1,473
Less: Unrealised gain on disposal/partial disposal of properties, a subsidiary and joint ventures	(44,657)
Gain on disposal/partial disposal of properties, a subsidiary and joint ventures	132,499
Share of gain on disposal of properties by joint ventures	14,920
Less: Unrealised gain on share of gain on disposal of properties by joint ventures	(3,730)
	143,689

After considering tax, the net gains on the transaction recognised by the Group during the financial year 31 March 2021 are \$134,759,000.

As part of the disposal, the Group has provided rental guarantee to BIF of up to \$25,500,000 to cover monthly rental shortfall for a period of 12 months from the transaction completion date on 3 March 2021. The Group has estimated and recognised a provision for rental guarantee payable amounting to \$2,793,000 as at 31 March 2021.

BIF is committed to acquire the remaining 51.0% ownership interest in BP-CA3 LLP after the expiry of assignment prohibition period imposed by JTC Corporation in approximately 4 years time from the reporting date.

(c) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2021 \$'000	2020 \$'000
Short-term benefits	15,177	14,336
Post-retirement benefits	819	844
Share-based compensation expense	14	107
	16,010	15,287

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

40. 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 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** : Smart eco-sustainable real estate including engineering & construction and development expertise for business park and industrial developments in Singapore, the People's Republic of China, Malaysia and the Socialist Republic of Vietnam.
- (iii) **Geospatial** : Exclusive distribution and professional services related to Esri geospatial – 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** : 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 Engineering		Real Estate		Geospatial		Healthcare		HQ activities		Group	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Revenue												
External sales	198,420	144,462	301,405	426,224	170,357	137,318	15,188	18,153	-	-	685,370	726,157
Dividend income	-	-	-	-	-	-	-	-	340	404	340	404
Total revenue	198,420	144,462	301,405	426,224	170,357	137,318	15,188	18,153	340	404	685,710	726,561
Results												
Segment results	27,892	7,286	129,377	31,638	40,031	28,657	(1,844)	(987)	(4,692)	(3,215)	190,764	63,379
Share of profit/(loss) of associates and joint ventures	-	-	11,060	(3,430)	-	-	1,541	1,831	-	-	12,601	(1,599)
Interest income											4,765	6,473
Finance expense											(3,835)	(5,213)
Profit before income tax											204,295	63,040
Income tax expense											(25,440)	(18,581)
Total profit											178,855	44,459
Segment results include:												
Depreciation expense	980	843	9,263	10,361	3,351	3,559	1,198	997	688	458	15,480	16,218
Amortisation of intangible assets	-	-	6	6	336	460	856	159	-	-	1,198	625

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

40. SEGMENT INFORMATION (CONT'D)

(a) Segment revenue and results (cont'd)

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.

(b) Segment assets and liabilities

	Energy Engineering		Real Estate		Geospatial		Healthcare		HQ activities		Group	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Segment assets												
Segment assets	155,132	118,695	569,024	528,186	156,517	123,150	21,447	17,105	81,832	71,271	983,952	858,407
Investments in associates	-	-	4,671	3,449	-	-	16,165	14,961	-	-	20,836	18,410
Investments in joint ventures	-	-	70,123	60,707	-	-	-	-	-	-	70,123	60,707
Loan to associates	-	-	13,791	15,960	-	-	-	-	2,896	4,785	16,687	20,745
Loan to a joint venture	-	-	-	58,558	-	-	-	-	-	-	-	58,558
Notes issued by an associate	-	-	59,000	-	-	-	-	-	-	-	59,000	-
Deferred income tax assets											13,602	7,934
Consolidated total assets											1,164,200	1,024,761
Additions to:												
- property, plant and equipment	560	1,706	638	9,632	970	4,409	459	266	425	28	3,052	16,041
- investment properties	-	-	8,464	11,531	-	-	-	-	-	-	8,464	11,531
- intangible assets	-	-	-	-	-	-	681	403	-	-	681	403
- investments in associates	-	-	14,251	3,177	-	-	-	-	-	-	14,251	3,177
- investments in joint ventures	-	-	10,720	26,266	-	-	-	-	-	-	10,720	26,266
Segment liabilities												
Segment liabilities	67,974	59,362	244,203	358,379	101,768	73,456	9,774	6,801	9,866	7,472	433,585	505,470
Unrealised gain on disposal due to retained interest	-	-	32,536	-	-	-	-	-	-	-	32,536	-
Share of accumulated loss	-	-	1,406	1,464	-	-	-	-	-	-	1,406	1,464
Income tax payable											30,212	15,925
Deferred income tax liabilities											788	5,167
Consolidated total liabilities											498,527	528,026

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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

40. SEGMENT INFORMATION (CONT'D)

(c) Geographical information

The Group operates in six primary geographical areas – Singapore, Malaysia, Asia Pacific, Australia, United States of America (“USA”), 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:

	Revenue from external customers		Non-current assets	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Singapore	248,158	445,492	154,234	256,220
Australia	128,761	96,730	25,880	17,460
Malaysia	87,477	19,578	1,451	2,129
USA	51,013	24,939	-	-
Europe	68,851	54,149	4,645	4,585
Asia Pacific	41,744	38,253	41,281	23,700
North and South America (excluding USA)	31,417	22,774	-	-
Middle East and Africa	28,289	24,646	208	184
Group	685,710	726,561	227,699	304,278

Other than Singapore, Australia and Malaysia, no single country accounted for 10% or more of the Group’s revenue for the financial year ended.

(d) Information about major customers

For the financial year ended 31 March 2021, no single external customer accounted for 10% or more of the Group’s revenue.

For the financial year ended 31 March 2020, one external customer from the Group’s Real Estate segment accounted more than 10% of the Group’s revenue. The customer contributed \$99,454,000 in revenue to the Group.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

41. 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 2021 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements: *Classification of Liabilities as Current or Non-current* (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 *Presentation of Financial Statements* clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-16 Property, Plant and Equipment: *Proceeds before Intended Use* (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 *Property, Plant and Equipment* (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

The Group does not expect any significant impact arising from applying these amendments.

Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: *Onerous Contracts – Cost of Fulfilling a Contract* (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

42. 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 2021.

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 ENGINEERING

Boustead International Heaters Ltd

Europa House, Woodlands Court
Albert Drive, Burgess Hill
West Sussex
RH15 9TN
United Kingdom

Main: +44 1444 237500
Web: www.bihl.com

Chief Executive Officer: Stuart Cummings

Boustead International Heaters ("BIH") is a leading global specialist with a technology portfolio including direct-fired process heater systems, waste heat recovery units, heat recovery steam generators and associated equipment for the global oil & gas ("O&G"), petrochemical and energy sectors.

Controls & Electrics Pte Ltd

30 Gul Drive
Singapore 629478

Main: +65 6861 3377
Web: www.bousteadcontrols.com

Managing Director: Prasun Chakraborty

Controls & Electrics ("C&E") is a well-recognised leading regional specialist with a technology portfolio including wellhead control panels, hydraulic power units, integrated control & safety shutdown systems and chemical injection skids for the upstream O&G sector.

Management & Principal Activities

REAL ESTATE

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: Wong Yu Wei

Boustead Projects Limited (“Boustead Projects”) is a leading provider of innovative real estate solutions with a regional presence. Boustead Projects’ core businesses are uniquely integrated to support the business park and industrial real estate ecosystem, comprising turnkey engineering & construction (“E&C”) and real estate development, asset management and fund management. Boustead Projects’ in-house capabilities are backed by core engineering expertise, the progressive adoption of transformative methodologies including full-fledged integrated digital delivery (“IDD”) and Industry 4.0 technologies and augmented by strategic partnerships which enable the co-creation of custom-built, smart, eco-sustainable and future-ready developments.

To date, Boustead Projects has constructed and developed more than 3,000,000 square metres of real estate for clients including Fortune 500, S&P 500 and Euronext 100 corporations across diverse sectors.

Boustead Projects’ wholly-owned E&C subsidiary in Singapore, Boustead Projects E&C Pte Ltd (“BP E&C”) is the eco-sustainability leader in pioneering Green Mark Platinum-rated new private sector industrial developments under the Building & Construction Authority (“BCA”) Green Mark Programme and a national champion of best practices for quality, environmental and workplace safety and health (“WSH”) management. BP E&C’s related achievements include being the quality leader on the BCA CONQUAS all-time top 100 industrial projects list, one of only eight bizSAFE Mentors and also bizSAFE Star, receiving numerous awards for exemplary WSH performance.

Management & Principal Activities

GEOSPATIAL

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"), smart mapping and location analytics, and the exclusive distributor of Esri 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 Esri ArcGIS technology in Papua New Guinea. Esri Australia also provides hosted and managed solutions, professional services, software maintenance services and training for Esri 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 ArcGIS technology in Singapore, Malaysia and Indonesia respectively. Additionally, Esri South Asia is the exclusive distributor of Esri ArcGIS technology in Bangladesh, Brunei and Timor-Leste. Esri South Asia also provides hosted and managed solutions, professional services, software maintenance services and training for Esri 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

Managing Director: Leslie Wong

Esri Singapore is Singapore's foremost authority on GIS, smart mapping and location analytics, and the exclusive distributor of Esri ArcGIS technology in the country. Esri Singapore also provides hosted and managed solutions, professional services, software maintenance services and training for Esri ArcGIS technology.

Management & Principal Activities

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, smart mapping and location analytics, and the exclusive distributor of Esri ArcGIS technology in the country. Esri Malaysia also provides hosted and managed solutions, professional services, software maintenance services and training for Esri ArcGIS technology.

PT Esri Indonesia

Menara 165, 6th Floor Unit B
Jalan TB Simatupang Kavling 1
Jakarta Selatan 12560
Indonesia

Main: +62 21 2940 6355
Web: www.esriindonesia.co.id

Esri Indonesia is Indonesia's foremost authority on GIS, smart mapping and location analytics, and the exclusive distributor of Esri ArcGIS technology in the country, with branch offices in Jakarta (headquarters), Balikpapan, Pekanbaru and Surabaya. Esri Indonesia also provides hosted and managed solutions, professional services, software maintenance services and training for Esri ArcGIS technology.

HEALTHCARE

Boustead Medical Care Holdings Pte Ltd

82 Ubi Avenue 4
#08-03 Edward Boustead Centre
Singapore 408832

Main: +65 6533 2237
Web: www.bmec.asia

Managing Director: Goh Boon Seong

Boustead Medical Care ("BMEC") Holdings provides innovative medical solutions that address niche areas of age-related chronic diseases and mobility issues across the continuum of long-term care, with a focus on rehabilitative care and sports science in the Asia Pacific. BMEC Holdings comprises a group of healthcare organisations, with the largest being wholly-owned subsidiary, BMEC Pte Ltd and 50%-owned associate, Beijing Pukang Sport & Medical Co Ltd.

Statistics of Shareholdings

AS AT 18 JUNE 2021

SHARE CAPITAL

Number of ordinary shares	: 484,030,129*
Number/Percentage of treasury shares	: 16,037,100 (3.31%)
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	265	5.59	10,580	0.00
100 - 1,000	414	8.73	253,774	0.05
1,001 - 10,000	2,465	52.00	13,084,009	2.70
10,001 - 1,000,000	1,573	33.19	77,446,488	16.01
1,000,001 AND ABOVE	23	0.49	393,235,278	81.24
TOTAL	4,740	100.00	484,030,129	100.00

LOCATION OF SHAREHOLDERS

Country	No. of Shareholders	%	No. of Shares	%**
SINGAPORE	4,437	93.61	479,129,422	98.99
MALAYSIA	247	5.21	3,508,453	0.72
OTHERS	56	1.18	1,392,254	0.29
TOTAL	4,740	100.00	484,030,129	100.00

Statistics of Shareholdings

AS AT 18 JUNE 2021

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%**
1	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	206,276,797	42.62
2	DBS NOMINEES (PRIVATE) LIMITED	62,928,160	13.00
3	RAFFLES NOMINEES (PTE.) LIMITED	34,021,286	7.03
4	CITIBANK NOMINEES SINGAPORE PTE LTD	26,650,571	5.51
5	IFAST FINANCIAL PTE. LTD.	12,849,780	2.65
6	HSBC (SINGAPORE) NOMINEES PTE LTD	8,410,497	1.74
7	UOB KAY HIAN PRIVATE LIMITED	5,440,002	1.12
8	HELEN TAN CHENG HOONG	5,166,000	1.07
9	MAYBANK KIM ENG SECURITIES PTE. LTD.	4,534,818	0.94
10	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	2,872,676	0.59
11	PHILLIP SECURITIES PTE LTD	2,788,290	0.58
12	HENG SIEW ENG	2,658,833	0.55
13	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,380,439	0.49
14	JACK INVESTMENT PTE LTD	2,062,392	0.43
15	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,972,729	0.41
16	YEO KER KUANG	1,928,855	0.40
17	SOH KOK BENG LEONARD	1,650,078	0.34
18	CHAN CHEE WENG	1,621,076	0.33
19	YEO BOON LI CAROLINE	1,588,133	0.33
20	ABN AMRO CLEARING BANK N.V.	1,587,844	0.33
Total		389,389,256	80.46

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest	%	Deemed Interest	%**
Wong Fong Fui	-	-	205,798,032 ⁽¹⁾	42.52
Abigail P. Johnson	-	-	48,365,286 ⁽²⁾	9.99
FMR LLC	-	-	48,365,286 ^{(1) (3)}	9.99
Fidelity Management & Research Company LLC	-	-	44,470,346 ⁽¹⁾	9.19

Notes:

⁽¹⁾ The deemed interests of these Substantial Shareholders are held through nominees.

⁽²⁾ Abigail P. Johnson is deemed interested in the shares held by FMR LLC.

⁽³⁾ FMR LLC is deemed interested in the shares held by Fidelity Management & Research Company LLC.

SHAREHOLDINGS IN THE HANDS OF THE PUBLIC

The percentage of shareholdings in the hands of the public as at 18 June 2021 was approximately 46.82%**. 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 total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) 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 by way of electronic means on Wednesday, 28 July 2021 at 2.30 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 2021 and the Independent Auditors’ Report thereon. **Resolution 1**
2. To approve a final tax-exempt (one-tier) dividend of 3.0 cents per ordinary share for the year ended 31 March 2021. **Resolution 2**
3. To approve a special tax-exempt (one-tier) dividend of 4.0 cents per ordinary share for the year ended 31 March 2021. **Resolution 3**
4. To re-elect the following directors retiring under Article 94 of the Company’s Constitution.
 - a. Mr Wong Yu Loon **Resolution 4**
 - b. Mr Liak Teng Lit **Resolution 5**

Note:

Mr Liak Teng Lit will, upon re-election as a director of the Company, remain as a member of the Audit & Risk Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Mr Chong Ngien Cheong has advised that he will be stepping down as a director of the Company following the conclusion of this Annual General Meeting. The Board of Directors would like to record its thanks to Mr Chong for his contributions during his tenure.

5. To approve directors’ fees of up to \$278,000 for the financial year ending 31 March 2022, payable quarterly in arrears (2021 actual: \$256,000). **Resolution 6**
[See Explanatory Note 1]
6. 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 7**

AS SPECIAL BUSINESS

To consider and, if thought fit to pass with or without modifications, the following ordinary resolutions:

7. **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,

Notice of Annual General Meeting

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 8

8. The proposed renewal of the Share Buy-Back Mandate

All capitalised terms used in this resolution which are not defined herein shall have the same meaning ascribed to them in the Addendum to the Notice of Annual General Meeting dated 6 July 2021.

That:

- (i) for the purposes of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), and such other laws and regulations as may for the time being be applicable, approval be and is hereby given for the exercise by the directors of the Company ("Directors") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company ("Shares") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (a) on-market share purchases ("On-Market Share Purchase"), transacted on the Singapore Exchange Securities Trading Limited ("SGX-ST"); and/or
 - (b) off-market share purchases ("Off-Market Share Purchase") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable (the "Share Buy-Back Mandate");
- (ii) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy-Back Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

- (iii) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Ordinary Resolution and the expiring on the earlier of:
 - (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
 - (b) the date on which the purchases or acquisitions of Shares pursuant to the Share Buy-Back Mandate are carried out to the full extent mandated; or
 - (c) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked;
- (iv) for the purposes of this Ordinary Resolution:

“Prescribed Limit” means ten per cent (10%) of the total issued ordinary share capital of the Company (excluding any treasury shares and subsidiary holdings) as at the date of passing of this Ordinary Resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered after such capital reduction (excluding any treasury shares and subsidiary holdings);

“Relevant Period” means the period commencing from the date on which the last Annual General Meeting of the Company was held and expiring on the date of the next Annual General Meeting of the Company is held or is required by law to be held, or the date on which the purchases of the Shares are carried out to the full extent mandated, whichever is earlier, unless prior to that, it is varied or revoked by resolution of the shareholders of the Company in general meeting;

“Maximum Price” in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (a) in the case of an On-Market Share Purchase, 105% of the Average Closing Price;
- (b) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the day of the making of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

“day of the making of an offer” means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase; and

“Market Day” means a day on which the SGX-ST is open for trading in securities;

- (v) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing such documents as may be required) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Ordinary Resolution.

[See Explanatory Note 3]

Resolution 9

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

9. **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 4]

Resolution 10

10. **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 5]

Resolution 11

11. To transact any other business of the Company which may arise.

NOTICE OF RECORD AND PAYMENT DATE FOR FINAL AND SPECIAL DIVIDENDS

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 6 August 2021 for the purpose of determining shareholders' entitlements to the final and special dividends to be paid on 18 August 2021, subject to and contingent upon shareholders' approval for the proposed dividends 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 6 August 2021 will be registered before entitlements to the dividends are determined.

By Order of the Board

Alvin Kok
Company Secretary
6 July 2021

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Explanatory Notes on Ordinary and Special Businesses to be transacted

1. The Ordinary Resolution 6 is to allow the Company to pay directors' fees to all non-executive directors in arrears on a quarterly basis.
2. The Ordinary Resolution 8 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 9 is to empower the Directors of the Company from the date of the Annual General Meeting until the date of the next Annual General Meeting is to be held or is required by law to be held, whichever is the earlier, to make purchases (whether by way of On-Market Purchases or Off-Market Purchases on an equal access scheme) from time to time of up to ten per cent (10%) of the total number of Shares (excluding treasury shares and subsidiary holdings) at prices up to but not exceeding the Maximum Price. The rationale for, the authority and limitation on, the source of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate are set out in greater detail in the Addendum accompanying this Notice of Annual General Meeting.
4. The Ordinary Resolution 10 is to allow the directors to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011.
5. The Ordinary Resolution 11 is to allow the directors to issue shares pursuant to the Boustead Scrip Dividend Scheme.

Notes:

(1) Pre-Registration

The Annual General Meeting ("AGM") is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to, among others, attendance, submission of questions in advance and/or voting by proxy at the AGM are set out in this Notice of AGM which has been uploaded on SGXNet and the Company's website on the same day. The announcement and this Notice of AGM may also be accessed at <https://www.sgx.com/securities/company-announcements> and <https://www.boustead.sg/>.

A member will be able to participate at the AGM by watching the AGM proceedings via a "live" audio-visual webcast and audio-only feed via mobile phones, tablets or computers. In order to do so, a member must pre-register by 2.30 p.m. on 25 July 2021, at <http://smartagm.sg/bousteadsingaporeAGM> for the Company to authenticate his/her/its status as members. Authenticated members will receive email instructions on how to access the "live" webcast of the proceedings of the AGM by 10.30 a.m. on 27 July 2021. Members who do not receive an email by 12 noon on 27 July 2021, but have registered by the 25 July 2021 deadline, may contact the Company's Share Registrar at agm.teame@boardroomlimited.com.

Investors holding Shares through relevant intermediaries (as defined in Section 181 of the Companies Act) ("Investors") (other than CPF/SRS investors) will not be able to pre-register at <http://smartagm.sg/bousteadsingaporeAGM> for the "live" webcast of the AGM. An Investor (other than CPF/SRS investors) who wish to participate in the "live" webcast of the AGM should instead approach his/her relevant intermediary as soon as possible in order for the relevant intermediary to make the necessary arrangements to pre-register. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, via email to agm.teame@boardroomlimited.com no later than 2.30 p.m. on 25 July 2021.

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

(2) Submission of Proxy Form

Due to the current COVID-19 control measures in Singapore, a member may not attend in person, and may only attend the AGM by observing and listening to the proceedings of the AGM by electronic means. A member will also not be able to vote online on the resolutions to be tabled for approval at the AGM. A member (whether individual or corporate) must appoint the Chairman of the AGM ("Chairman") as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The Chairman, as proxy, need not be a member of the Company. The instrument for the appointment of proxy ("proxy form") may be accessed at the Company's website at <https://www.boustead.sg/> or the SGXNet. Where a member (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.

The proxy form is not valid for use by Investors (including CPF/SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wish to vote should instead approach his/her/its relevant intermediary as soon as possible to specify his/her/its voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 5.00 p.m. on 16 July 2021, being 7 working days before the date of the AGM to submit his/her voting instructions.

The proxy form must be submitted to the Company in the following manner:

- (a) if submitted by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623; or
- (b) if submitted electronically, be submitted via email to agm.teame@boardroomlimited.com,

in either case, by 2.30 p.m. on 26 July 2021, being 48 hours before the time appointed for holding this AGM.

A member who wishes to submit the proxy form must complete and sign the proxy form attached with this booklet or download it from the Company's website or the SGXNet, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

In view of the current Covid-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

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. 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), if the instrument a proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the Meeting as proxy (including any related attachment) (such as in the case where the appointor submits more than one instrument appointing the Chairman as proxy).

In the case of members of the Company whose Shares are entered against his/her names in the Depository Register, the Company may reject any proxy form submitted if such members are not shown to have Shares entered against his/her names in the Depository Register (as defined in Part IIIA of the Securities and Futures Act, Chapter 289 of Singapore), as at 72 hours before the time appointed for holding this AGM as certified by The Central Depository (Pte) Limited to the Company.

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

(3) Submission of Questions

Members and Investors will not be able to ask questions “live” during the webcast of this AGM. All members and Investors may submit questions relating to the business of this AGM by 2.30 p.m. on 25 July 2021:

- (a) via the pre-registration website at <http://smartagm.sg/bousteadsingaporeAGM>;
- (b) by email to bousteadsingapore.agm2021@boustead.sg; or
- (c) by post to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult to submit questions by post, members and Investors are strongly encouraged to submit their questions via the pre-registration website or by email. The Company will endeavour to answer all substantial and relevant questions prior to, or at this AGM.

(4) Annual Report and other documents:

The Annual Report for the financial year ended 31 March 2021 (“Annual Report 2021”) which was issued and released on 6 July 2021 can be accessed at SGXNet and at the Company’s website at <https://www.boustead.sg/>.

(5) Further Information

For further information on the conduct of the AGM and the alternative arrangements, shareholders can refer to the Company’s website at <https://www.boustead.sg/>. Shareholders who wish to remotely observe the AGM proceedings are reminded that the AGM is private. The invitation to attend the AGM via “live” audio-visual webcast or “live” audio-only stream is not to be forwarded to anyone who is not a shareholder or who is not authorised to attend the AGM.

Recording of the AGM proceedings in whatever form is also strictly prohibited. The Company seeks shareholders’ patience and understanding during the AGM proceedings in the event of any technical disruptions.

- (6) Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the AGM at short notice. Shareholders should check the Company’s website at the URL <https://www.boustead.sg/> or SGXNet for the latest updates on the status of the AGM.

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
28 July 2021 at 2.30 p.m.**
(Before completing this form, please see notes below)

IMPORTANT:

1. The Annual General Meeting ("AGM") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. Alternative arrangements relating to attendance at the AGM via electronic means (in particular, arrangements by which the meeting can be electronically accessed via "live" audio-visual webcast or audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the Notice of AGM dated 6 July 2021. The Notice of AGM may be accessed at the Company's IR website at <https://www.boustead.sg/>, and will also be made available on SGXNet at <https://www.sgx.com/securities/company-announcements>.
3. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
4. This proxy form is not valid for use by investors holding shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore)) ("Investors") (including investors holding through Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") ("CPF/SRS investors")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 5.00 p.m. on 16 July 2021, being 7 working days before the date of the AGM to submit his/her voting instructions.
5. By submitting an instrument appointing the Chairman of the Meeting as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of the AGM dated 6 July 2021.
6. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the Meeting as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.

I/We _____ (Name) _____ (NRIC/Passport/Co. Reg. No.)
of _____

being a member/members of the above-named Company, hereby appoint 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 Wednesday, 28 July 2021 at 2.30 p.m. and at any adjournment thereof in the manner indicated below:

	Ordinary Resolutions:	For	Against	Abstain
Resolution 1	To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 March 2021 and the Independent Auditors' Report.			
Resolution 2	To approve a final tax-exempt (one-tier) dividend of 3.0 cents per ordinary share for the year ended 31 March 2021.			
Resolution 3	To approve a special tax-exempt (one-tier) dividend of 4.0 cents per ordinary share for the year ended 31 March 2021.			
Resolution 4	To re-elect Mr Wong Yu Loon as a director of the Company.			
Resolution 5	To re-elect Mr Liak Teng Lit as a director of the Company.			
Resolution 6	To approve directors' fees of up to \$278,000 for the year ending 31 March 2022, payable quarterly in arrears.			
Resolution 7	To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company and to authorise the directors to fix their remuneration.			
Resolution 8	To authorise the directors to allot and issue shares pursuant to Section 161 of the Singapore Companies Act.			
Resolution 9	To approve the proposed renewal of the Share Buy-Back Mandate.			
Resolution 10	To authorise the directors to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011.			
Resolution 11	To authorise the directors to allot and issue shares pursuant to the Boustead Scrip Dividend Scheme.			

[You may tick (✓) within the relevant box to vote for or against, or abstain from voting, in respect of all your Shares for each resolution. Alternatively, you may indicate the number of Shares that you wish to vote for or against, and/or abstain from voting, for each resolution in the relevant box. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman as your proxy for that resolution will be treated as invalid.**]

Signed this _____ day of _____ 2021

Signature(s) of Member(s) or Common Seal

Total no. of shares	No. of shares
In CDP Register	
In Register of Members	



Proxy Form

BOUSTEAD SINGAPORE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you only have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. Due to the current COVID-19 control measures in Singapore, a member may not attend in person, and may only attend the AGM by observing and listening to the proceedings of the AGM by electronic means. A member will also not be able to vote online on the resolutions to be tabled for approval at the AGM. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. This proxy form may be accessed at the Company's IR website at <https://www.boustead.sg/>, and will also be made available on SGXNet at <https://www.sgx.com/securities/company-announcements>. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstention from voting, in respect of a Resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as a proxy for that Resolution will be treated as invalid.

CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective Agent Banks or SRS Operators to submit their votes by 5.00 pm on 16 July 2021.

3. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
 - (b) if submitted electronically, be submitted via email to agm.teame@boardroomlimited.com.

in either case, by 2.30 p.m. on 26 July 2021, being 48 hours before the time appointed for holding this AGM.

A member who wishes to submit the proxy form must complete and sign the proxy form attached with this booklet or download it from the Company's website or the SGXNet, before submitting it by post to the address provided above, or scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing the Chairman of the Meeting as proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing the Chairman of the Meeting as 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), if the instrument appointing the Chairman of the Meeting as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.

The Company shall be entitled to reject the instrument appointing the Chairman of the Meeting as proxy if it is incomplete, improperly completed or illegible or where the true intentions of the appointor is not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment) appointing the Chairman of the Meeting as proxy. In addition, in the case of a member whose shares are entered against his name in the Depository Register, the Company may reject any instrument appointing the Chairman of the Meeting as proxy lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register 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 6 July 2021.

BOUSTEAD SINGAPORE LIMITED

Company Registration Number: 197501036K

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