

FUNDAMENTALLY ROBUST

Annual Report 2022



BOUSTEAD®

Since 1828

FUNDAMENTALLY ROBUST

With our fundamentally robust businesses, the Boustead Group delivered sustained profitability in another turbulent year.

The severe negative impact of the COVID-19 pandemic – extended lockdowns, massive economic disruptions and waves of variants – has been lingering in our world for over two years and continued to be deeply felt throughout FY2022. Even with COVID-19 abating in many countries, it will take time to get to a new normal, especially when the recovery from the pandemic has been hampered by significant inflationary pressures, supply chain disruptions and major black swan events like the Russia-Ukraine War.

As Singapore's oldest continuous business organisation, we have gone through an extraordinary journey spanning almost 200 years, one in which we have witnessed two world wars, numerous economic crises and the evolution of many global sectors. Our ability to weather major storms is attributed to maintaining an agile mindset and fortitude, anchored by a business model that focuses on creating shared socio-economic value, supported by diversified businesses and strategies to remain 'in the moment' and built upon a culture, structure and balance sheet that are fundamentally robust.



Cover-to-Cover – See the Bigger Picture

This year, Boustead Singapore Limited shares about our fundamentally robust businesses, while Boustead Projects Limited shares about their stable foundation which has helped them prevail in challenging times.



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.

As Singapore's oldest continuous business organisation, we focus on the niche engineering and development of key infrastructure to support sustainable shared socio-economic growth. 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 real estate developments.

In addition, we provide technology-driven transformative solutions to improve the 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 enterprise platform – to major markets in the Asia Pacific. The enterprise platform creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems by improving human wellbeing and ecosystems,

and helping in the effective planning and management of key infrastructure and resources. Our Healthcare Division provides innovative medical solutions that address 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 91 countries and territories globally.

Over the years, we have been a recipient of many reputable awards including the prestigious Forbes Asia 200 Best Under A Billion Award. In 2019, we were awarded the Most Transparent Company Award and Sustainability Award (Runner-Up) by the Securities Investors Association (Singapore). From 2020 to 2022, we also ranked among Singapore's Best Employers, Singapore's Fastest Growing Companies and Asia-Pacific High-Growth Companies. We were also honoured with the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 Special Edition.

Visit us at www.boustead.sg.

Contents

Overview

10

Refreshing a Global Icon	10
Mission, Vision & Business Model	12
Global Presence	16
Group at a Glance	
- Overall Financial Performance	18
- Division Financial Performance	20
- Socio-Economic & Sustainability Performance	22
Chairman's Message	28

Strategic Review

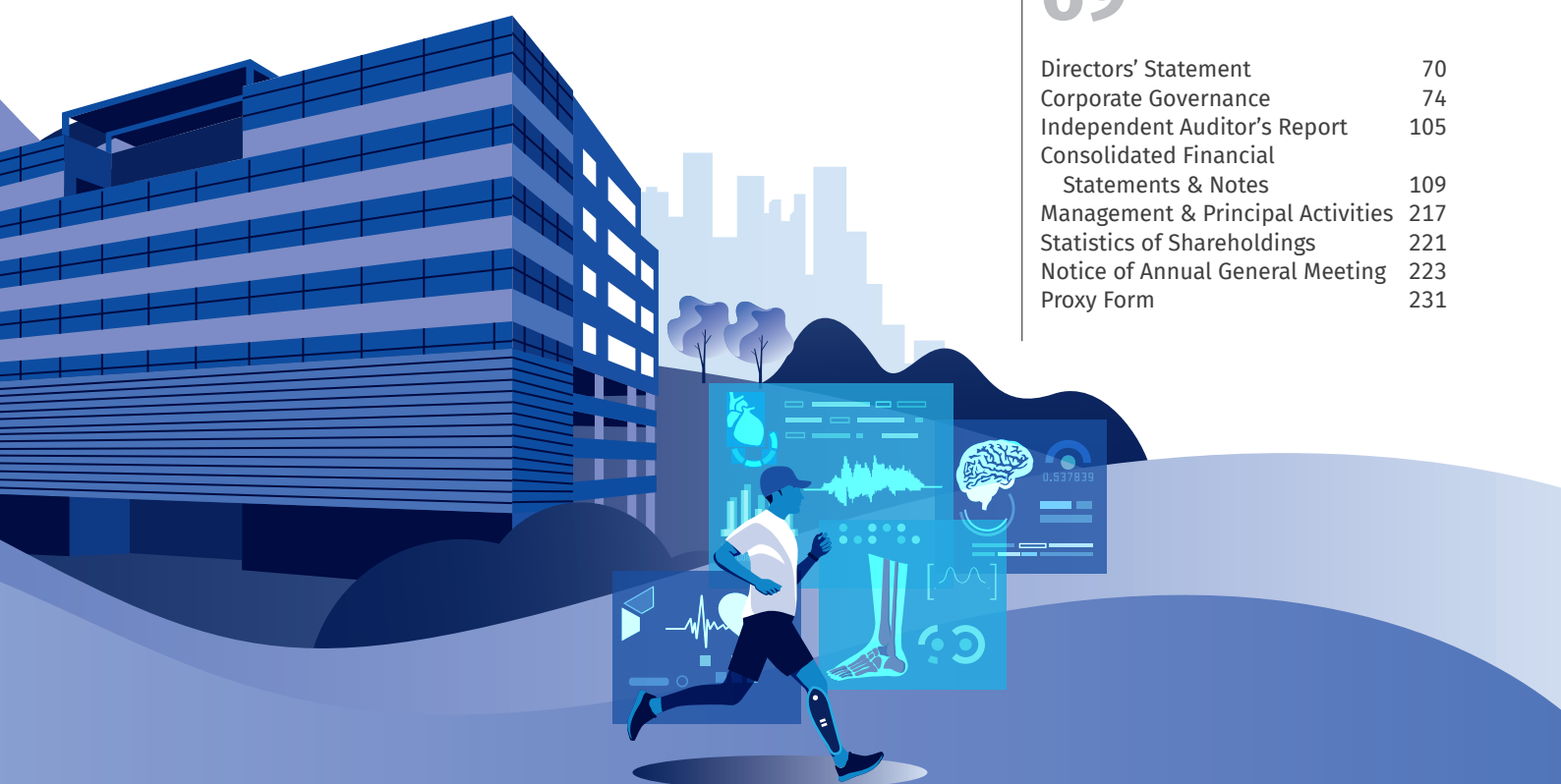
32

Energy Engineering	32
Real Estate	38
Geospatial	46
Healthcare	56
Quality, Safety & Sustainability Awards	60
Board of Directors	62
Key Management Team	64
Stakeholder Relations	66
Corporate Information	68

Financial Statements

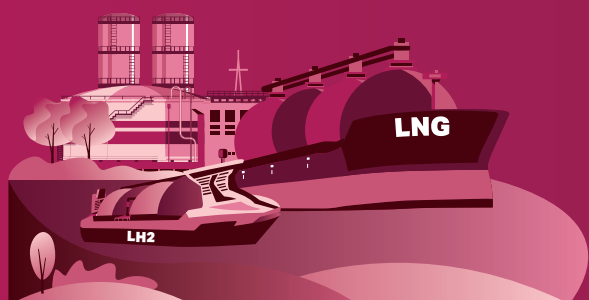
69

Directors' Statement	70
Corporate Governance	74
Independent Auditor's Report	105
Consolidated Financial Statements & Notes	109
Management & Principal Activities	217
Statistics of Shareholdings	221
Notice of Annual General Meeting	223
Proxy Form	231





ENERGY ENGINEERING



GLOBAL EXPERIENCE

Boustead delivers global experience, with over 1,500 projects installed in 91 countries and territories across six continents over the past quarter-century. 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
energy corporations.



182
terawatt-hours
of total expected thermal
energy recovery by WHRUs,
equivalent to the amount
of carbon sequestered in
a forest that is almost the
size of France.

Our Energy Engineering Division provides critical process technologies and emissions reduction solutions to the global energy sector, 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.

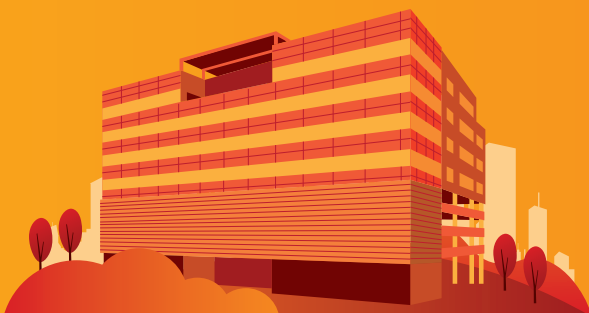
[Read more on pages 32 to 37.](#)

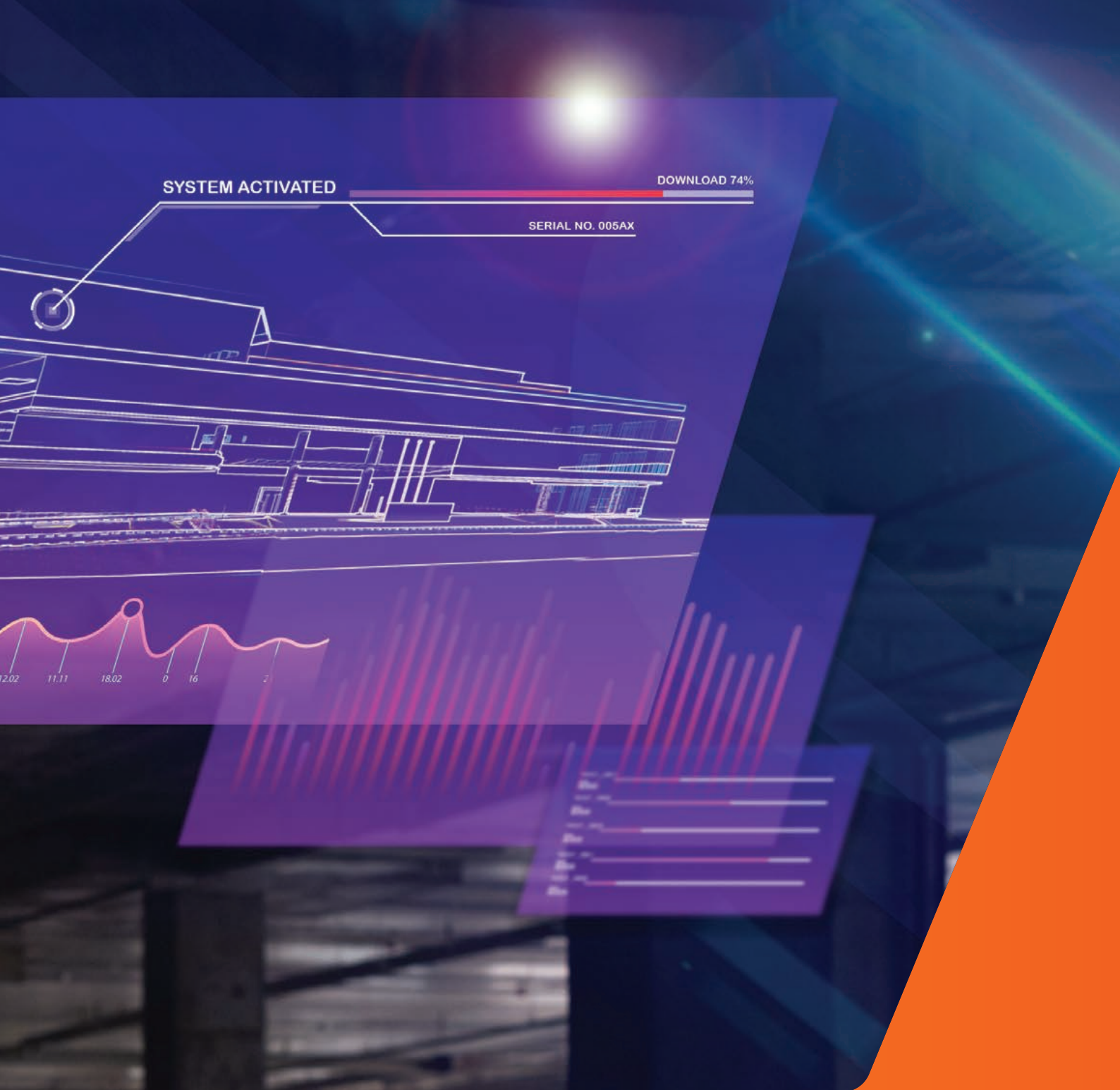


**REAL
ESTATE**

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:



S\$1.3 billion
in total market valuation
of completed properties in
our portfolio.



Multiple real estate platforms
including Boustead
Development Partnership,
Boustead Industrial Fund and
Echo Base-BP Capital Pte Ltd.

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



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 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 enterprise platform – along with related GIS solutions for major markets in the Asia Pacific. The enterprise platform creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems by improving human wellbeing and ecosystems, and helping in the effective 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 sector within the past half-century.

 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 solutions

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 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

In 2020, 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 91 countries and territories across six continents over the past quarter-century. 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. The true legacy of our founder, Mr Edward Boustead, 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.

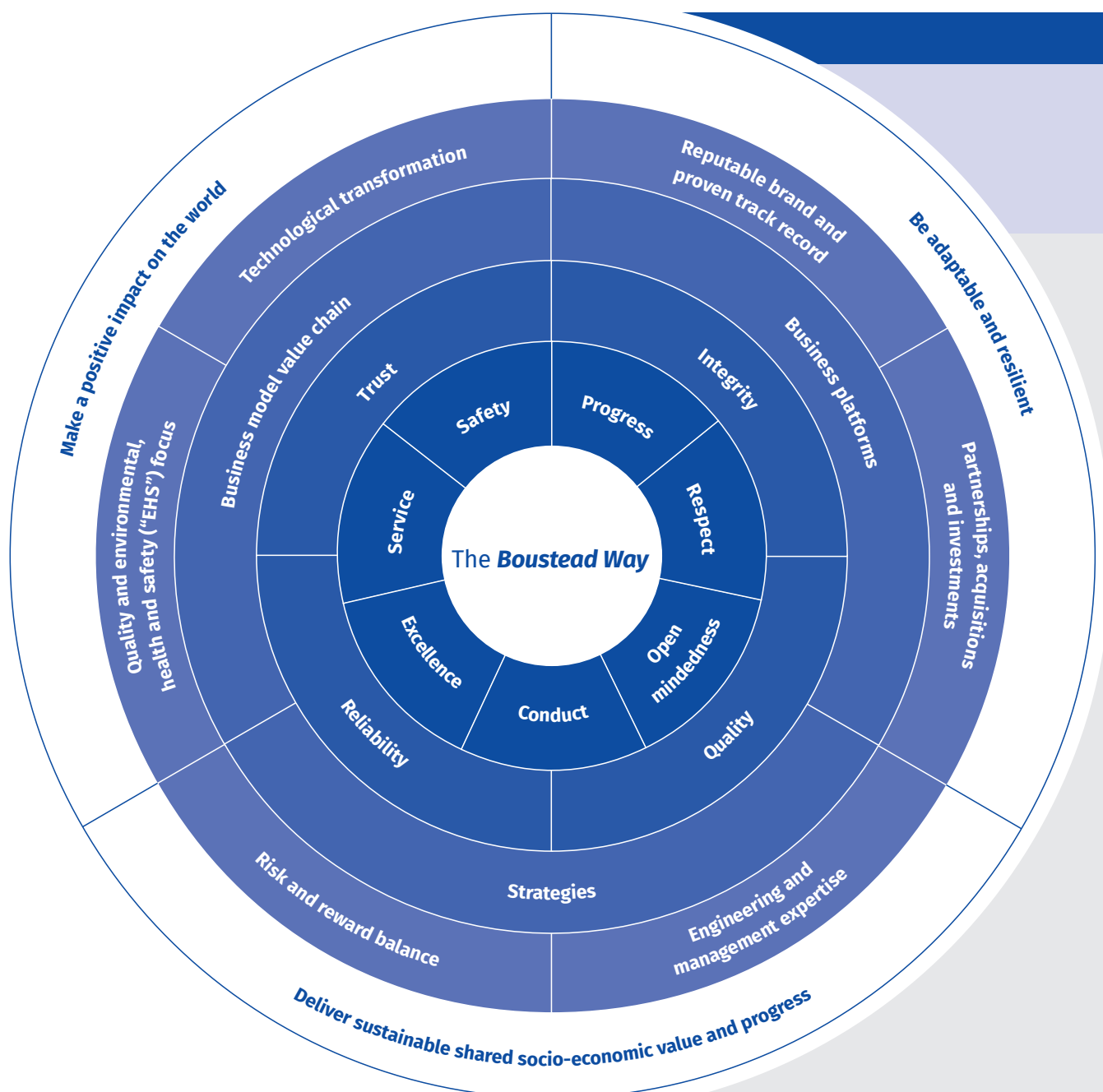
Mission, Vision & Business Model

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 91 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 sector 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 megatrends
- Global view with local market knowledge
- Focus on socio-economic development in high-growth markets
- Broad coverage of sectors
- Projects in 91 countries and territories
- More than 13,000 clients globally



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

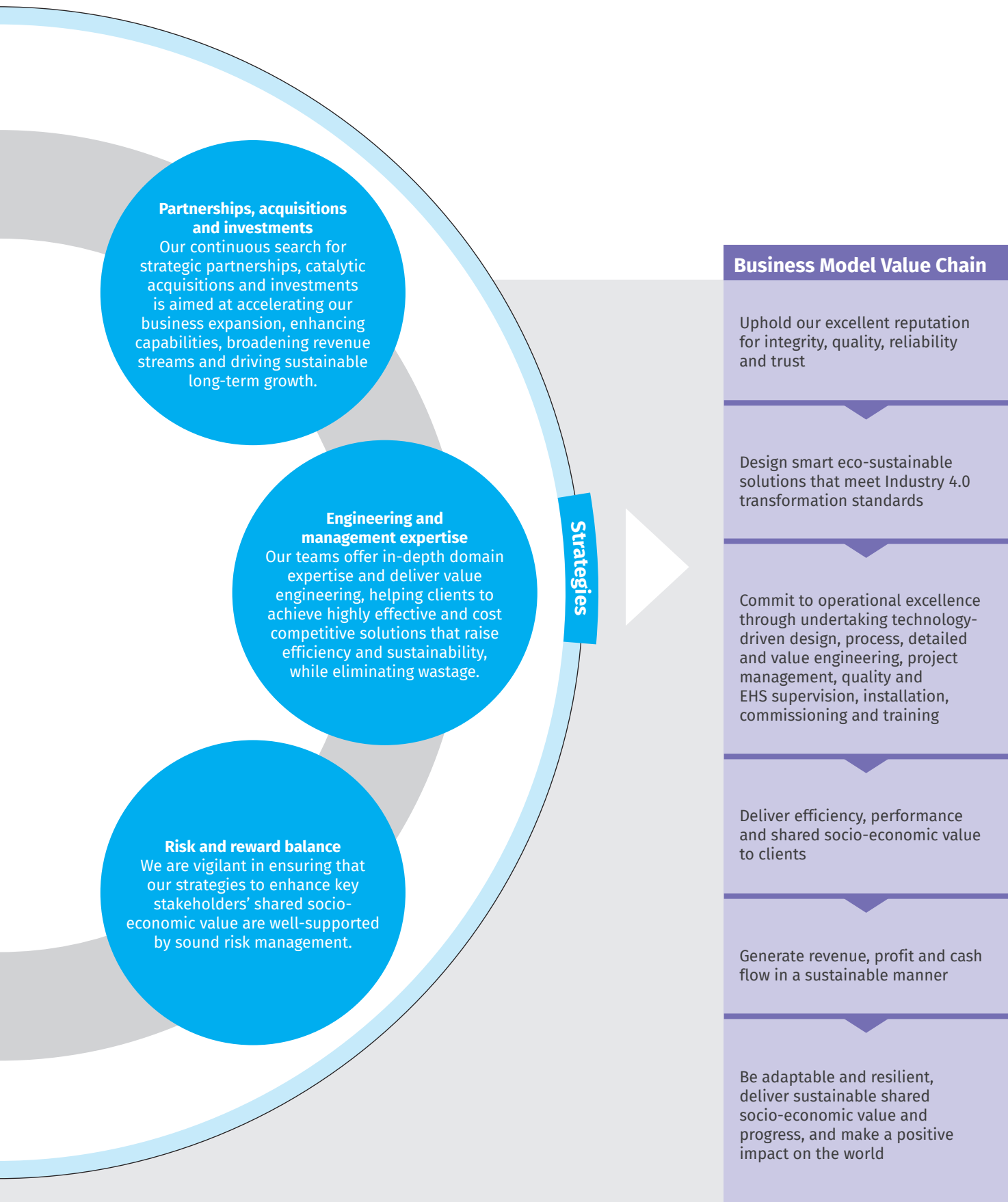
With an enduring brand heritage, we have established reputable positions in a broad range of sectors, bringing together in-depth domain expertise and proven technologies in over 1,500 projects in 91 countries and territories.

Technological transformation

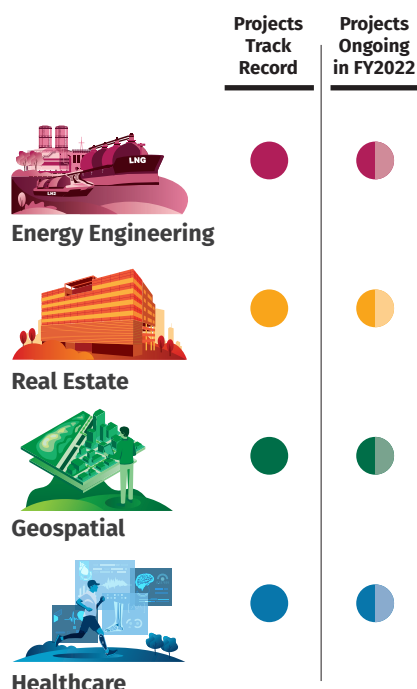
We aim to incorporate transformative technologies into our solutions and be a market leader in the world of Industry 4.0.

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 EHS and ISO programmes.



Global Presence



Projects undertaken in

91

countries and territories

Order backlog of

S\$274m*

North America

S\$4 million
order backlog

Latin America & Caribbean

S\$2 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



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

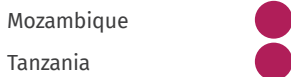


* Order backlog at end of FY2022 plus new orders secured since.



Africa

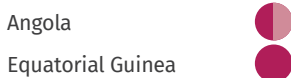
Eastern Africa



North Africa



Middle Africa



Western Africa

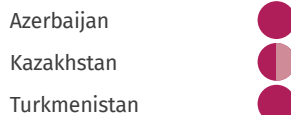


Asia

Middle East



Central Asia



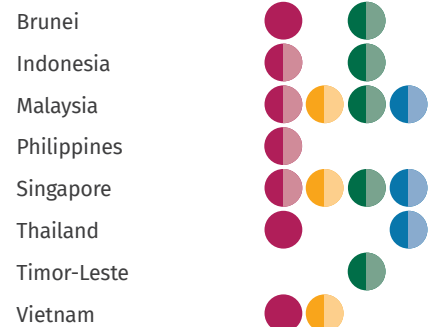
South Asia



East Asia



South East Asia



Australia & Oceania



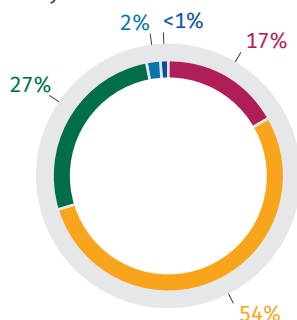
Group at a Glance

Overall Financial Performance

Group Revenue

S\$631.8 million

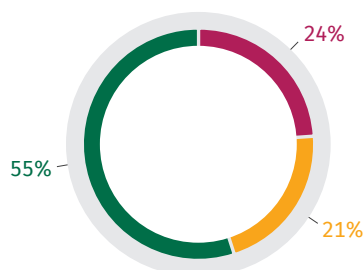
FY2021: S\$685.7 million
Year-on-year: ↓ 8%



Group Profit before Income Tax

S\$55.2 million

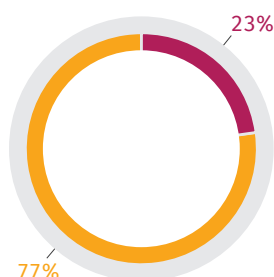
FY2021: S\$204.3 million*
Year-on-year: ↓ 73%



Group Contracts Secured

S\$193 million

FY2021: S\$230 million**
Year-on-year: ↓ 16%



Group HQ



Energy Engineering



Real Estate

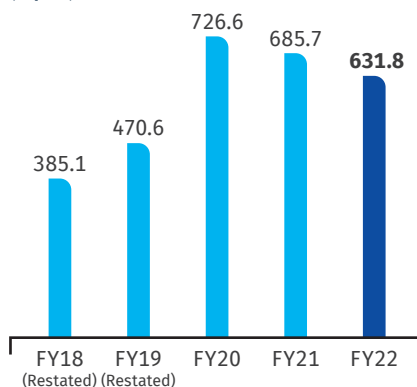


Geospatial

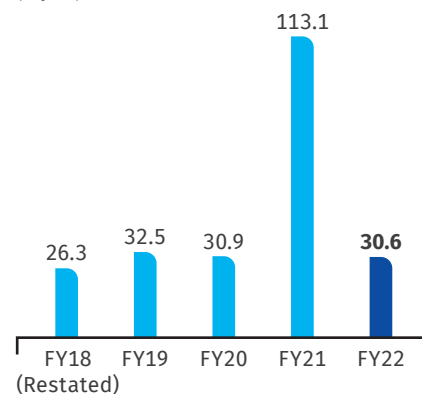


Healthcare

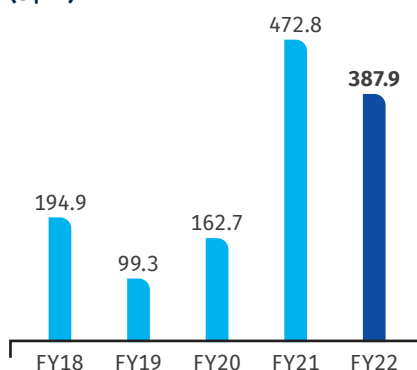
Group Revenue (S\$m)



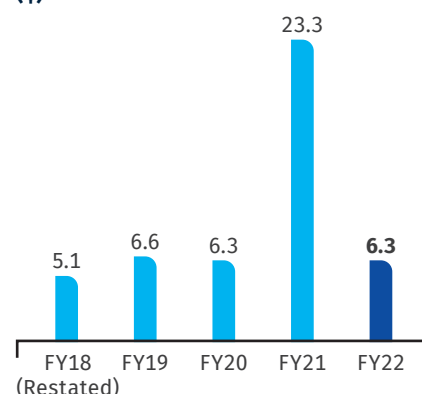
Group Net Profit (S\$m)



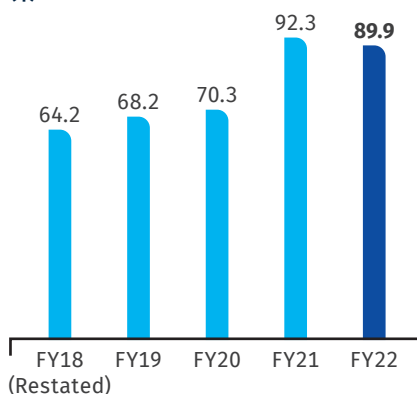
Net Cash Position (S\$m)



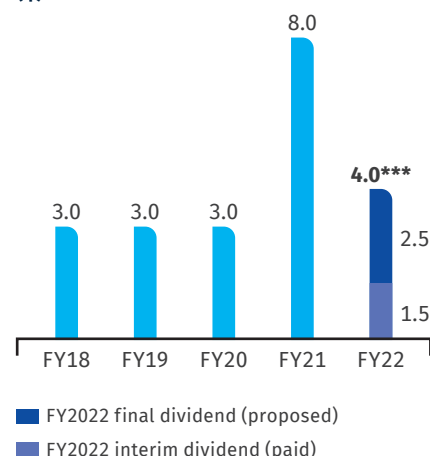
Basic Earnings per Share (¢)



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 proposed final dividend of 2.5 cents per share.

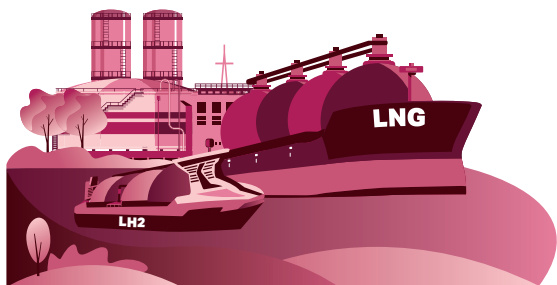
	FY2018 S\$'000 (Restated)	FY2019 S\$'000 (Restated)	FY2020 S\$'000	FY2021 S\$'000	FY2022 S\$'000
Revenue and Profits					
Revenue	385,106	470,646	726,561	685,710	631,811
Gross profit	147,468	141,140	167,227	173,603	144,753
Profit before income tax	55,651	62,357	63,040	204,295	55,235
Total profit	42,159	49,579	44,459	178,855	38,787
Profit attributable to equity holders of the Company	26,322	32,519	30,872	113,073	30,578
Cash/Scrip dividends	(15,080)	(14,953)	(14,655)	(38,737)	*** (19,302)
Statement of Financial Position					
Equity attributable to equity holders of the Company	316,377	336,143	342,632	446,953	433,566
Non-controlling interests	126,631	146,207	154,103	218,720	199,658
Capital Employed	443,008	482,350	496,735	665,673	633,224
Trade receivables (non-current)	4,619	11,212	19,850	20,211	12,320
Other receivables and prepayments (non-current)	3,127	5,759	5,831	61,118	74,240
Contract assets (non-current)	5,274	2,657	1,568	8,853	12
Investment securities (non-current)	-	44,544	42,877	32,785	33,217
Available-for-sale financial assets (non-current)	38,565	-	-	-	-
Property, plant and equipment	11,830	17,221	28,896	29,596	21,883
Right-of-use assets (non-current)	-	-	14,994	13,204	8,577
Finance lease receivables (non-current)	-	-	21,765	20,794	20,362
Investment properties	128,827	182,118	176,713	82,588	87,172
Intangible assets	737	2,137	1,894	1,396	153
Investments in associates	588	12,875	18,410	20,836	22,766
Investments in joint ventures	37,148	40,673	60,707	70,123	54,866
Pension asset	-	-	-	-	730
Net deferred income tax (liabilities)/assets	(2,159)	1,114	2,767	12,814	13,929
Net cash position	194,878	99,264	162,713	472,823	387,881
Net current assets/(liabilities) (excluding cash and borrowings)	27,332	72,899	44,141	(72,915)	(759)
Non-current liabilities (excluding deferred income tax liabilities and borrowings)	(7,758)	(10,123)	(106,391)	(108,553)	(104,125)
Assets Employed	443,008	482,350	496,735	665,673	633,224
Financial Statistics					
Operating profit over turnover (%)	14.5	13.2	8.7	29.8	8.7
Return on equity (%) (Note 1)	8.3	9.7	9.0	25.3	7.1
Gross dividend per share (¢)	3.0	3.0	3.0	8.0	***4.0
Dividend cover (times)	1.7	2.2	2.1	2.9	***1.6
Basic earnings per share (¢) (Note 2)	5.1	6.6	6.3	23.3	6.3
Net asset value per share (¢) (Note 3)	64.2	68.2	70.3	92.3	89.9
Debt-to-equity (%) (Note 4)	15.9	30.6	24.0	1.0	2.5
Loan-to-valuation (%) (Note 5)	20.4	34.3	31.8	0.0	9.5

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 emissions reduction solutions to the global energy sector.

This division has undertaken over 1,300 projects in 89 countries and territories globally.

Division Revenue

S\$112.3 million

FY2021: S\$198.4 million
Year-on-year: ▼ 43%

Division Profit before Income Tax

S\$15.8 million

FY2021: S\$28.0 million
Year-on-year: ▼ 44%

Division Contracts Secured

S\$45 million

FY2021: S\$52 million*
Year-on-year: ▼ 13%

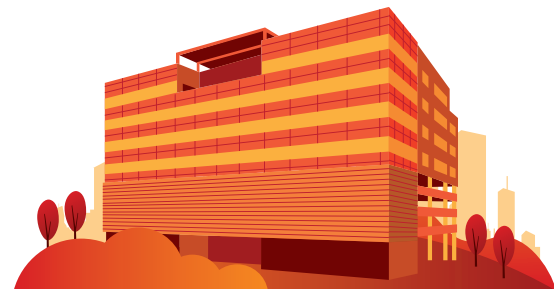
Division Team Members

259

FY2021: 230
Year-on-year: ▲ 13%

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 smart, eco-sustainable and future-ready 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\$339.1 million

FY2021: S\$301.4 million
Year-on-year: ▲ 13%

Division Profit before Income Tax

S\$13.8 million

FY2021: S\$140.6 million**
Year-on-year: ▼ 90%

Division Contracts Secured

S\$148 million

FY2021: S\$178 million
Year-on-year: ▼ 17%

Division Team Members

232

FY2021: 271
Year-on-year: ▼ 14%

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 enterprise 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\$168.3 million

FY2021: S\$170.4 million
Year-on-year: ↓ 1%

Division Profit before Income Tax

S\$36.9 million

FY2021: S\$40.7 million
Year-on-year: ↓ 9%

Division Year-End Deferred Services Backlog

S\$113 million

FY2021: S\$100 million
Year-on-year: ↑ 13%

Division Team Members

517

FY2021: 503
Year-on-year: ↑ 3%

Read more on pages 46 to 55.



HEALTHCARE

Our Healthcare Division provides innovative medical solutions that address 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\$12.0 million

FY2021: S\$15.2 million
Year-on-year: ↓ 21%

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

(S\$6.2 million)

FY2021: (S\$0.1 million)

Division Team Members

106

FY2021: 89
Year-on-year: ↑ 19%

Read more on pages 56 to 59.

*** Excludes S\$0.4 million and S\$0.1 million of annual amortisation adjustment by Group on acquisition in FY2021 and FY2022 respectively.

**** Includes S\$1.5 million and S\$0.7 million after-tax share of contribution from associate, Beijing Pukang Sport & Medical Co Ltd in FY2021 and FY2022 respectively.

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 FY2022

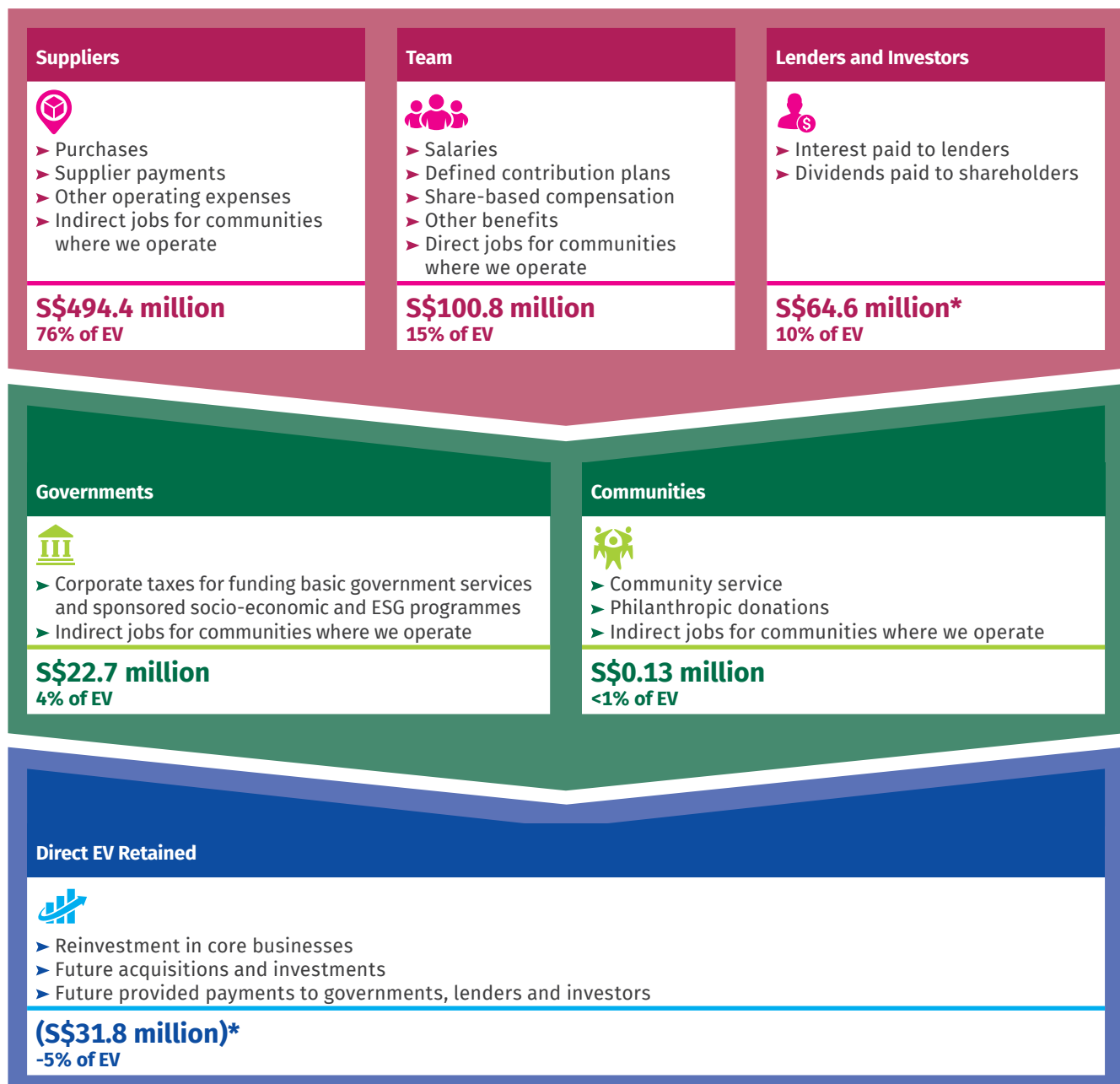
Over Boustead's enduring heritage, we have continued to perform our role as a trustworthy global corporate citizen, incubating and growing businesses with a greater purpose – creating sustainable shared socio-economic value in the process – and developing trusting relationships with key stakeholders 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 FY2022, S\$650.8 million in direct EV was generated, which was shared among key stakeholders as shown here.



* Record dividends paid to shareholders.

Transformative Technologies Deployment

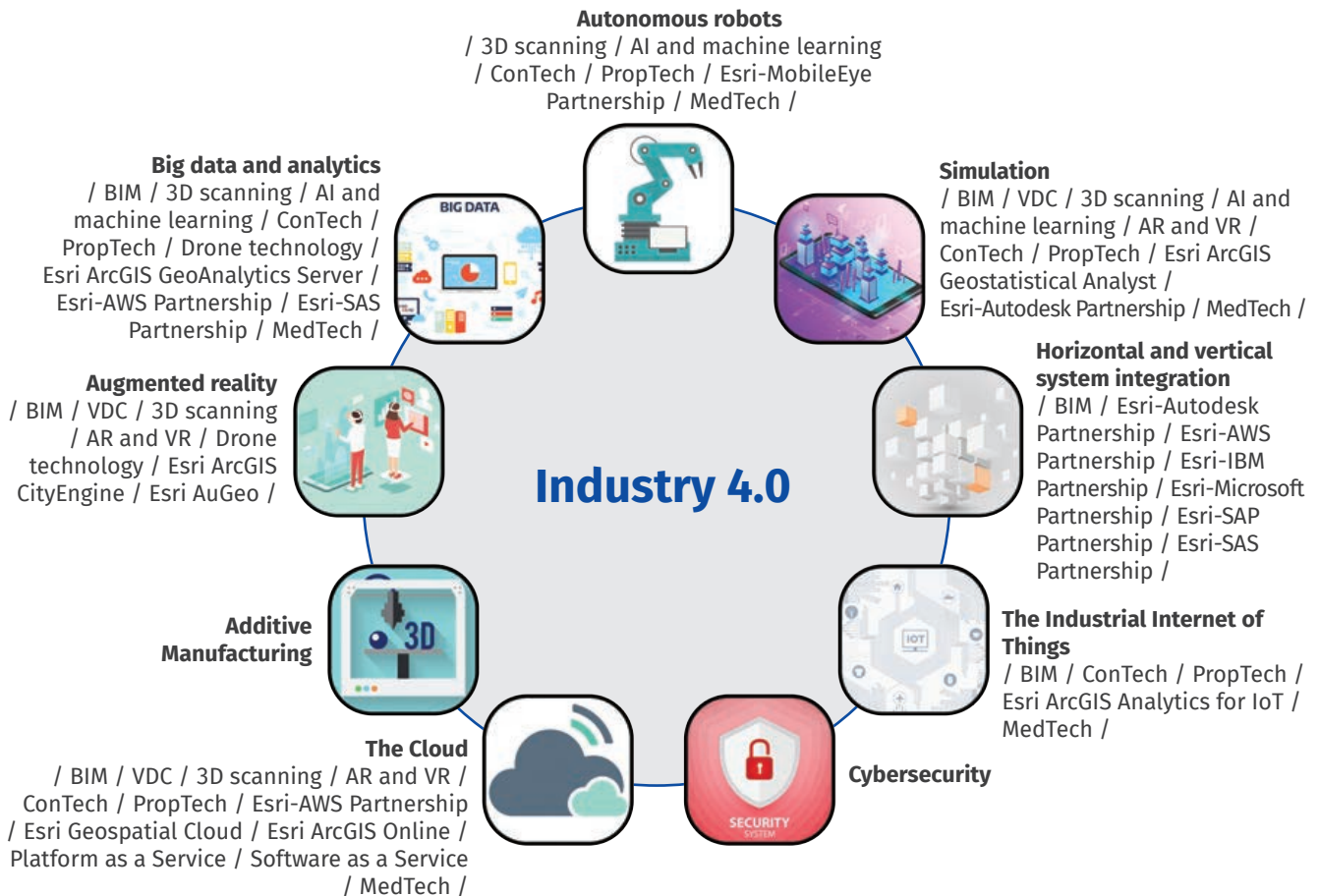
According to Boston Consulting Group ("BCG"), Industry 4.0 – the fourth industrial revolution – affects every manufacturing domain and comprises advanced manufacturing technologies that capture, manage and optimise data. In simple terms, Industry 4.0 makes manufacturing 'smart'. Technologies such as artificial intelligence ("AI"), cyber-physical systems and industrial IoT interact

seamlessly, and communicate and modify continuously. Businesses that fully understand and capture the value of these advantages are best positioned to take on the challenges that lie ahead. BCG went on to name nine technologies that are driving Industry 4.0. We have overlaid our already implemented technologies in seven of these areas.

For nearly two centuries, we have been a pioneering force globally, with our businesses being part of multiple

industrial revolutions. Today, our innovative real estate solutions continue to shape 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.

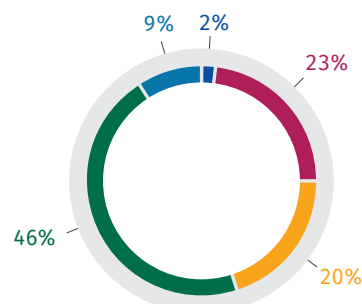
Transformation Initiatives Overlay on Nine Technologies of Industry 4.0



Team Deployment in FY2022

1,137
team members

FY2021: 1,114 team members



Group HQ
2%

FY2021: 2%



Energy Engineering
23%

FY2021: 21%



Real Estate
20%

FY2021: 24%



Geospatial
46%

FY2021: 45%



Healthcare
9%

FY2021: 8%

Group at a Glance

Socio-Economic & Sustainability Performance

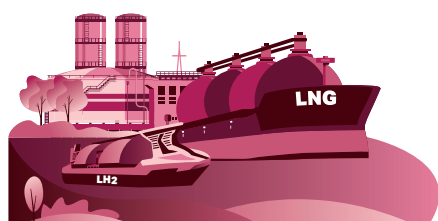
Environmental, Social and Quality Contributions






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 clients every year and contribute positively to the environment and

community ecosystems around them. In the global energy 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.

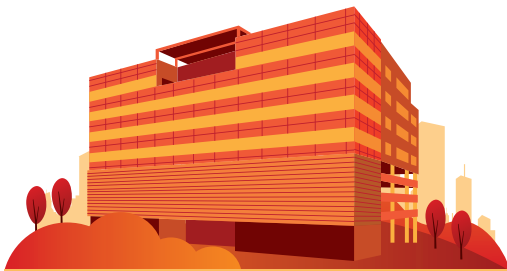
Under the Building & Construction Authority ("BCA") Green Mark Certification Scheme, Boustead Projects has delivered numerous Green Mark Platinum-rated business park and industrial developments. In FY2022, our clients and their surrounding ecosystems enjoyed estimated benefits as shown here.










Boustead International Heaters	Attained in				Cumulative Capacity Attained Prior to FY2020		Estimated Annual Recovery
	FY2020	FY2021	FY2022				
Number of WHRUs	37 WHRUs	12 WHRUs	5 WHRUs	+	166 WHRUs	=	220 WHRUs
Annual thermal energy recovery in gigawatt-hours ("GWh")	10,582 GWh	4,320 GWh	1,378 GWh	+	34,414 GWh	=	50,694 GWh
Also equivalent to:							
<div>  Gas heating used by 6.7 million UK homes </div> <div>  Removing 7.7 million cars from the road </div> <div>  Reducing 83.2 million barrels of oil consumed </div> <div>  CO₂ stored by 172,057 square kilometres of forest </div> <div>  £2.0 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) 2021 and Quarterly Energy Prices 2021. Other supplementary conversion calculations are based on the US Environmental Protection Agency's greenhouse gas equivalencies calculator.



Boustead Projects Green Mark Platinum Ratings (14 buildings)	Attained in				Green Mark Platinum Ratings Attained Prior to FY2020	Estimated Annual Savings
	FY2020	FY2021	FY2022			
Energy savings in gigawatt-hours ("GWh")	7.0 GWh	4.2 GWh	6.9 GWh	+	37.1 GWh	= 55.2 GWh
Also equivalent to:						
<div>  Electricity used by 11,734 Singapore homes  Removing 8,431 cars from the road  Reducing 90,595 barrels of oil consumed  CO₂ stored by 187 square kilometres of forest  S\$12.2 million in electricity tariff savings </div>						
Water savings in cubic metres ("cu m")	44,580 cu m	677 cu m	0 cu m	+	87,105 cu m	= 132,362 cu m
Also equivalent to:						
<div>  Water used to fill 52 Olympic size swimming pools  S\$0.2 million in water tariff savings </div>						

Note:

Calculations are based on BCA Green Mark Certification Scheme 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 2021 and PUB's Water Price Revisions 2017. Other supplementary conversion calculations are based on the US Environmental Protection Agency's greenhouse gas equivalencies calculator.

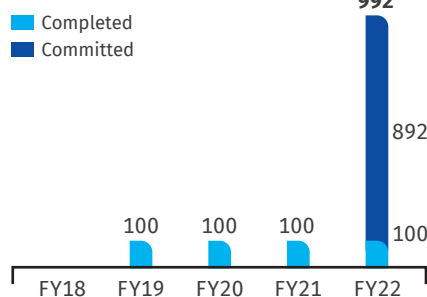
Group at a Glance

Socio-Economic & Sustainability Performance

Renewable energy

As part of our commitment towards eco-sustainability and emissions reduction, Boustead Projects aims to progressively tap on solar energy as a renewable clean energy source to supplement the energy requirements of tenants within our portfolio, with completed kilowatt-peak ("kWp") capacity and committed kWp capacity as shown here.

Renewable Energy (kWp)

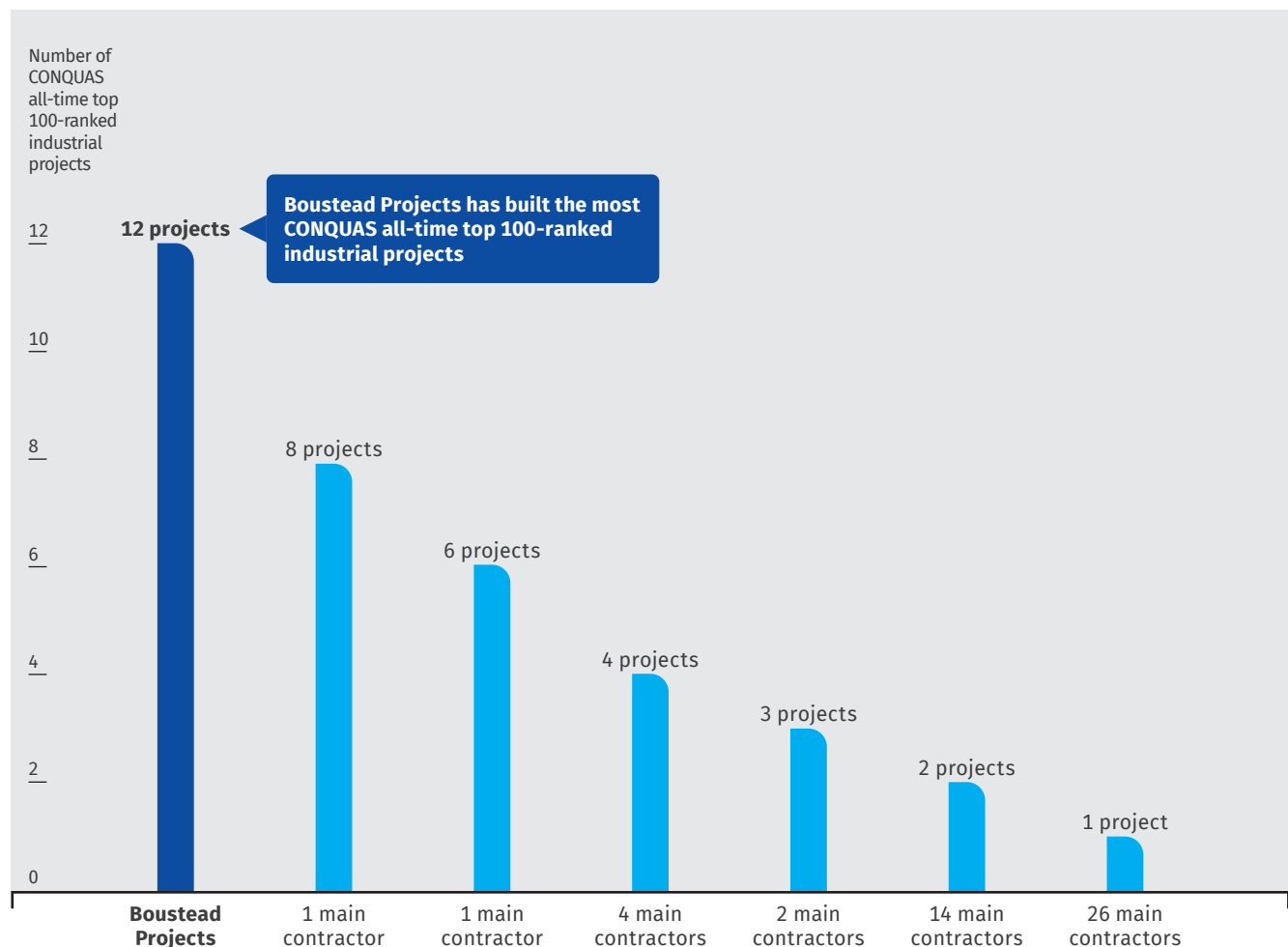


Quality

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 FY2022, '351 on Braddell' received a CONQUAS score of 93.3%, while ASM Front-End Manufacturing received a CONQUAS score of 92.8%, placing them at 11th and 17th respectively on the BCA CONQUAS all-time top 100 industrial projects list. To date, Boustead Projects' efforts in construction quality have been recognised with 12 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 15 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 31 March 2022.

Projects on BCA CONQUAS List*

Projects	CONQUAS Scores	Rank on All-Time Top 100 Industrial Projects List (March 2022)
DB Schenker Red Lion	93.9%	8th
ALICE@Mediapolis	93.8%	9th
'351 on Braddell'	93.3%	11th
ASM Front-End Manufacturing	92.8%	17th
Seagate Singapore Design Center – The Shugart	92.2%	n.a. (commercial project)
Yusen Tuas	92.0%	21st
ST Omega 2	91.5%	24th
Edward Boustead Centre	91.3%	28th
Kerry Logistics Centre – Tampines	90.7%	33rd
Bolloré Green Hub	90.3%	37th
Continental Building Phase 3	89.6%	43rd
ST Electronics Building	89.1%	50th
ST Engineering Hub	85.1%	86th
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**

With our fundamentally robust businesses, Boustead delivered sustained profitability in another turbulent year:

- ▶ The severe negative impact of the COVID-19 pandemic continued to be deeply felt, with recovery from the pandemic hampered by inflationary pressures, supply chain disruptions and the Russia-Ukraine War.
- ▶ More effort will be expended to successfully transition our divisions to the new normal.
- ▶ As we navigate the long road to full recovery and look ahead with cautious optimism, we need to remain agile and ready for the challenges ahead.

Dear Fellow Shareholders,

I am pleased to present to you the Boustead Singapore Limited FY2022 Annual Report for the financial year ended 31 March 2022.

The severe negative impact of the COVID-19 pandemic – extended lockdowns, massive economic disruptions and waves of variants – has been lingering in our world for over two years and continued to be deeply felt throughout FY2022. Even as we start to see COVID-19 abating in many countries, it will take time to get to a new normal, especially when the recovery from the pandemic has been hampered by significant inflationary pressures, supply chain disruptions and major black swan events like the Russia-Ukraine War.

Set against this challenging operating environment, our performance in FY2022 was likewise impacted with overall revenue being 8% lower year-on-year at S\$631.8 million, mainly as a result of a lack of business development opportunities which in turn affected new contract awards. Net profit attributable to you – our shareholders – was 73% lower year-on-year at S\$30.6 million, as the previous year's record results had been boosted by the successful launch of Boustead Industrial Fund ("BIF") and its value-unlocking transaction one-off gain of S\$134.8 million ("BIF Value-Unlocking Gain").

Had our net profit been adjusted for other gains and losses net of non-controlling interests (largely from the BIF Value-Unlocking Gain), impairments and payouts from the Singapore Government's Jobs Support Scheme, net profit would have been 28% lower year-on-year at S\$32.3 million.

FY2022 – Steadfastness in Adversity

The Energy Engineering Division successfully weathered another challenging year, affected by the lingering effects of the pandemic with reductions in international travel, oil & gas ("O&G") price volatility, and demand and supply mismatch, which hindered meaningful business development. With a lower order backlog carried forward at the end of FY2021 as compared to FY2020, and fewer new contracts secured in FY2022, division revenue and profit before income tax ("PBT") were 43% and 44% lower year-on-year at S\$112.3 million and S\$15.8 million respectively. Since the start of the O&G sector recession at the end of 2015, global energy corporations have been slower to reach final investment decisions in view of the short and long-term uncertainties affecting the sector and this was most highly apparent in the past year. As a result, the division secured only S\$45 million worth of contracts in FY2022.

Our ability to weather major storms is attributed to maintaining an agile mindset and fortitude, anchored by a business model that creates shared socio-economic value, supported by diversified businesses and strategies to remain 'in the moment' and built upon a culture, structure and balance sheet that are fundamentally robust.

Moving forward, FY2023 will not see improved results from the Energy Engineering Division, due to the time lag effect of the lower order backlog carried forward from the end of FY2022. However, with improved market conditions which have led to a healthier enquiry pipeline, we are expecting more encouraging results from the division in the following year.

For the 15th successive year, the Real Estate Division (Boustead Projects) remained the largest revenue contributor of the Boustead Group. Having endured unprecedented and prolonged project site closures and labour shortages that affected productivity in the previous year, the situation was slightly better in FY2022 with engineering & construction activities reaching more normalised levels, leading to division revenue being 13% higher year-on-year at S\$339.1 million. However, division PBT declined by 90% to S\$13.8 million, as the division worked through the pre-pandemic order backlog and without the benefit of the previous year's BIF Value-Unlocking Gain.

The financial impact of the pandemic on Boustead Projects continued to be buffered by real estate activities. Following the successful launch of BIF, FY2022 proved to be another fruitful year for advancing on multiple

initiatives including the sale of '351 on Braddell' to BIF in November 2021. The division also made progress towards a strategic collaboration with Khai Toan Joint Stock Company to acquire, develop and own a portfolio of industrial and logistics properties in Vietnam, as announced recently.

A continued bright spot among our divisions, the Geospatial Division delivered a steady performance in FY2022. The demand for geospatial technology and smart mapping capabilities continued to hold firm, with division revenue remaining stable year-on-year at S\$168.3 million, although division PBT was 9% lower year-on-year at S\$36.9 million as there were two large enterprise agreements which lifted margins in the previous year. Had the revenue recognition of these enterprise agreements been recognised on a straight-line basis over their three-year term, division revenue and PBT would have smooth growth.

The pandemic had a relatively strong negative impact on our Healthcare Division, which registered revenue that was 21% lower year-on-year at S\$12.0 million and saw loss before income tax widen to S\$6.3 million. Clients continued to prioritise their needs in addressing the pandemic over rehabilitative care and sports science solutions. While the division's results

can be attributed to the pandemic, it is not a convenient excuse for the division's continued underperformance and we are cognizant that more urgent effort needs to be taken to address the inherent challenges faced by this division. As a start, a senior leadership change was enacted and the sleep care business was sold just after the close of FY2022, with more changes to come in the future.

Upholding our dividend tradition over an unbroken run of two decades, your Board has proposed a final dividend of 2.5 cents per share payable in cash for your approval. Together with the interim dividend of 1.5 cents already paid, the total dividend of 4 cents equates to a dividend payout ratio of 63%. Separately, Boustead Projects has proposed a final dividend and special dividend of 0.2 and 0.8 cents per share respectively.

Boustead – More Than An Enduring Business Legacy

Our Group's sustained profitability in this turbulent year did not happen simply by chance. As Singapore's oldest continuous business organisation, Boustead has gone through an extraordinary journey spanning almost 200 years, one in which we have witnessed two world wars, numerous economic crises and the evolution of many global sectors. Our ability to

Chairman's Message

weather major storms is attributed to maintaining an agile mindset and fortitude, anchored by a business model that focuses on creating shared socio-economic value, supported by diversified businesses and strategies to remain 'in the moment' and built upon a culture, structure and balance sheet that are 'Fundamentally Robust' – a theme which we have chosen to front the cover of this Annual Report.

In the book "Leadership to Last: How Great Leaders Leave Legacies Behind", Harvard Professors, Geoffrey Jones and Tarun Khanna studied the reasons behind long-lasting businesses in South Asia and revealed five key ingredients behind their existence for decades – even centuries. Among the reasons include a commitment to social values and leadership that focuses on innovating to generate profit in ways that directly benefit society. These similar qualities are embedded in the **Boustead Way**, which prioritises the pursuit of business with a greater purpose – creating sustainable shared socio-economic value versus maximising short-term profit; promoting adaptability and resilience; and favouring longevity over sentimentality. We want to generate outcomes that clearly benefit multiple stakeholders.

With the pace of the green energy transition intensifying, the world has seen increasing investments flow into low-carbon energy solutions. Even as this trend poses challenges to our Energy Engineering Division, we believe that we can meaningfully contribute to the low-carbon energy transition, beyond just being a financier. In the green energy realm, we have the potential to value-add with our complementary technology, such as in the area of Boustead International Heaters ("BIH")'s waste heat recovery units ("WHRUs") and accompanying technology solutions. Due to increasing global legislation to reduce greenhouse gas emissions, we see a higher demand for WHRUs

designed to recycle exhaust and flue gases, instead of allowing them to be directly released into the environment or wasted as a potential energy source. During FY2022, BIH completed the delivery of their largest contract on record at about S\$100 million, comprising 20 WHRUs that can recover an energy equivalent of 6.4 terawatt-hours annually, enough electricity to power a small country. BIH continues to actively review diversification initiatives to move beyond the O&G sector and deliver customised emissions reduction solutions that address climate change. The incubation of such solutions is already underway but will take time to bear fruits. Nevertheless, some progress has been made in this respect and we stand in a good position to support clients in their endeavours towards greener energy options in the future.

In the past year, Boustead Projects has continued efforts to reshape the industrial real estate landscape through groundbreaking projects and the deployment of progressive and transformative technologies, underpinned by a strong focus on quality, environmental, health and safety management. During FY2022, Boustead Projects progressed on delivering two landmark projects under the Building & Construction Authority ("BCA") Green Mark Certification Scheme, first with Surbana Jurong Campus, Singapore's first Green Mark Platinum – Super Low Energy-rated development in the large-scale business park and industrial real estate sector, and then with Takeda Singapore Biologics Manufacturing Support Building, which will be among Singapore's first Zero Energy Buildings in the industrial real estate sector. Furthermore, Boustead Projects' appointment as a SkillsFuture Queen Bee – the first and only in the built environment ("BE") sector – to enhance the skills capabilities of other smaller businesses in the same sector, has cemented our position as the market

leader for smart, eco-sustainable and future-ready developments. This opportunity will allow us to share our success and contribute to the technology transformation of the interdependent BE ecosystem, uplifting and building up the sector's resilience. Our role as SkillsFuture Queen Bee adds to our market leadership, not just as the industrial real estate market leader for Green Mark Platinum-rated new private sector developments, but also as the market leader in the BCA CONQUAS all-time top 100 industrial list and bizSAFE Mentor – among only eight in Singapore and the only one among our direct competitors.

During the pandemic, Esri ArcGIS technology has proven to be an invaluable tool in the battle against COVID-19 regionally, such as implementing contact tracing and testing programmes, safe distancing measures and vaccine rollouts. These ultimately contributed to the containment of the pandemic, safeguarding the wellbeing of people and allowing for the phased reopening of borders and resumption of international travel. Even as the pandemic recedes, geospatial technology continues to enrich our understanding of Earth and be a great enabler in advancing the UN Sustainable Development Goals with the powering of the UN Open SDG Data Hub by Esri ArcGIS, along with adapting to and mitigating climate risks and contributing to the betterment of lives around the world. Recently, a postdoctoral research fellow and Boustead-Esri Geospatial Scholarship recipient, Li Yangyang, created a Singapore-first soil database that can identify slopes that are susceptible to erosion and landslides, with such incidents more likely to occur with climate change and more volatile weather.

More than just being a service provider, the Geospatial Division has been nurturing geospatial professionals and

empowering the broader ecosystem of users and global technology partners, through active engagement and consistent education on the use of geospatial technology to enhance and address clients' business and environmental, social and governance needs. Within the division, the Geospatial Skills Black Belt Framework has been used to boost our team members' technical skills and service competencies, ultimately to better serve clients. Ongoing projects supporting Australia's Clean Energy Regulator, the region's agricultural sector and several programmes including the Esri Disaster Response Program, GIS for Schools Program and Startup Program, are just some of the few examples of the positive socio-economic impact we are creating in the sectors that we operate in, cultivating impactful relationships – externally and internally – to ensure the longevity of our business and the wider ecosystem.

On this note, I am pleased to share that both of our listed organisations, Boustead and Boustead Projects, received the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 Special Edition, in recognition of listed corporations that have displayed exemplary performance in upholding best practices in corporate governance, leadership, innovation and resilience during the pandemic. This Award is not just a strong endorsement of our achievements in the past year but a culmination of the hard work of our entire team over a sustained period of time.

Adapting for Longevity

The road ahead of us will certainly not be a breeze, although we have started to see some recovery of economic activities. Today, we live in a much more complex world, complicated by major geopolitical events like AUKUS, the Quad and Russia-Ukraine War which all have equally impactful geoeconomic consequences for many nations and sectors worldwide,

touching on energy security to food security. As we navigate the long road to full recovery and look ahead with cautious optimism, we need to remain agile and ready for the challenges that lie ahead.

During this period of complexity, it remains more urgent that we maintain our strong balance sheet and fundamentally robust position to achieve two things: demonstrate to clients our financially sound position to complete any awarded contracts that they entrust us with in the short-term, and to make acquisitions and investments in the right opportunities in the long-term. The capability to deploy our cash into acquisitions and investments with rapid pace and without needing to undertake an often-lengthy equity raising capital exercise, may just be the difference between a seller selecting our proposition over that of other potential investors. In addition, with the transformation required to meet geoeconomic and geopolitical challenges, not to mention adapting to and mitigating climate risks, we will ultimately require acquisitions and investments to be made in newly emerging resilient teams, businesses and technologies of the future.

Within our existing divisions, more effort will be expended to successfully transition them to the new normal. When the Healthcare Division was acquired in 2018, it was our firm belief that the division will have long-term prospects in meeting the needs of ageing populations across the Asia Pacific – and it still is. However, in the past few years, this division's performance has fallen short of our expectations, partly attributable to bad timing but also due to poor execution. The sale of the sleep care business under the division is our first step in the rationalisation of this division, which we have come to realise has too many fragmented entities, product lines and services. Changes are afoot to bring this division to the

fullest potential. The responsibility to do so lies with our Board and senior management, beginning with the stepping up of efforts to enhance talent management and implement processes to improve execution.

As I approach 80 next year, one will wonder about the readiness of our next generation of Boustead leaders. When the time comes for me to hand over the reins, you can be assured that I will be doing so to a highly astute and resilient leadership team who is equally committed to preserving our enduring business brand. With the unceasing commitment and dedication of our Boustead Men and Women, and an enduring spirit which has seen us through the most difficult of times over the past two centuries, I am confident that our Group and businesses possess the attributes, tenacity and balance sheet that will enable us to prevail in these challenging times and continue to deliver sustainable shared socio-economic value to our stakeholders.

A Word of Appreciation

The success of Boustead today would never have been possible without the dedication of our team members around the world. I extend my appreciation to our Boustead Men and Women for their contributions in the past year. I would also like to thank all of our key stakeholders – clients, business partners, associates, bankers, suppliers, government agencies and you, fellow shareholders – for your continuous support.

Thank you for partnering us in this journey of longevity, progress and cultivating business with a greater purpose. I look forward to meeting you at our virtual Annual General Meeting.

I wish you and your loved ones good health, wellness and peace.

Wong Fong Fui

Chairman &
Group Chief Executive Officer

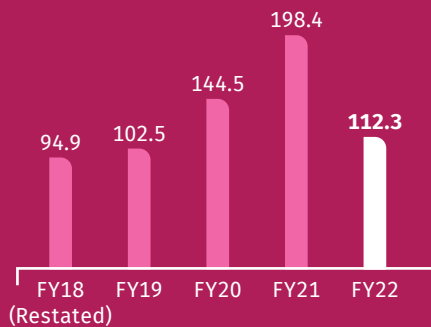
Energy Engineering

Performance Highlights

Division Revenue

S\$112.3 million

Year-on-year: ▼ 43%

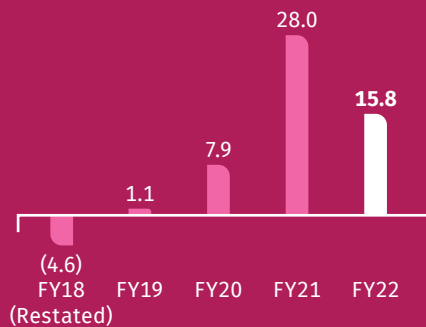


► Lower revenue was due to reduced order backlog carried forward at the end of FY2021 and fewer contracts secured in FY2022.

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

S\$15.8 million

Year-on-year: ▼ 44%

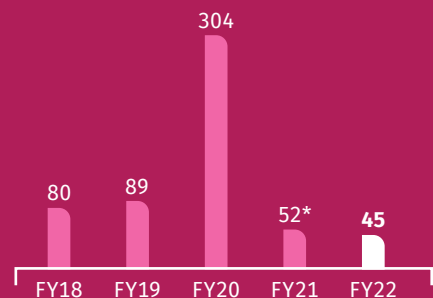


► Lower PBT was due to reduced revenue conversion.

Division Contracts Secured

S\$45 million

Year-on-year: ▼ 13%



► Lower contracts secured was due to delays in final investment decisions of clients.

* 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 emissions reduction solutions to the global energy sector including oil & gas ("O&G") and petrochemicals. This division's clients include 60% of the world's top 20 energy corporations.

Market Sectors

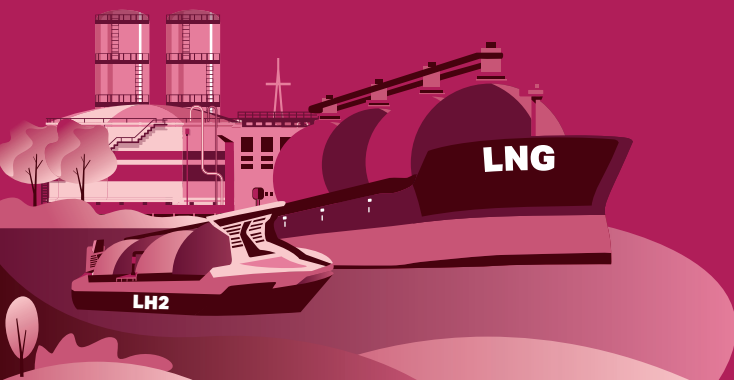
O&G AND PETROCHEMICALS

- 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

89 COUNTRIES AND TERRITORIES

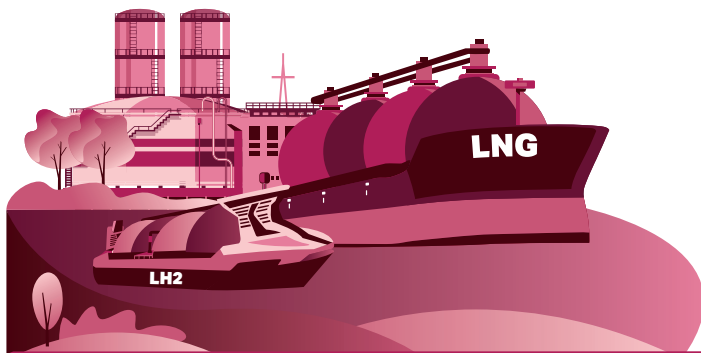
- Africa
- Asia Pacific
- Australia & Oceania
- Europe
- Latin America & Caribbean
- Middle East
- North America





Transportation of process heater radiant module over temporary bridge, USA.

Energy Engineering



Market Review

The market was focused on:

- Challenging market conditions due to lingering effects of the COVID-19 pandemic;
- Crude oil and natural gas price volatility; and
- Geoeconomic and geopolitical issues.

Key Highlights

Our Energy Engineering Division achieved:

- Profitability amid the highly challenging business environment; and
- Operational resilience despite the impact of the prolonged pandemic.

In a year challenged by the lingering effects of the pandemic, the performance of our Energy Engineering Division was impacted by reductions in international travel, crude oil and natural gas price volatility, and a demand and supply mismatch. This hindered the pursuit of business development opportunities and the capturing of new contracts in FY2022. Global energy corporations also continued to delay final investment decisions (“FIDs”) in view of the short-term and long-term uncertainties, made more complex towards the end of FY2022 by escalating geoeconomic and geopolitical issues such as the Russia-Ukraine War.

Our Energy Engineering Division’s revenue was 43% lower year-on-year at S\$112.3 million due to a reduced order backlog carried forward at the end of FY2021 and fewer new contracts secured in FY2022. Division PBT was 44% lower year-on-year at S\$15.8 million due to reduced revenue conversion. Delays in FIDs and restrictions on international travel made it difficult to conduct meaningful business activities during the year, and this resulted in division contracts secured being 13% lower year-on-year at S\$45 million.

Boustead International Heaters

Our Energy Engineering Division’s largest business brand and principal business unit catering to the downstream energy sector is Boustead International Heaters (“BIH”), a leading global specialist with a technology portfolio that includes direct-fired process heater systems, waste heat recovery units (“WHRUs”), heat recovery steam generators and associated equipment for the global energy sector, including O&G and

petrochemicals. BIH’s waste heat recovery solutions capture and utilise thermal energy that is otherwise wasted, thereby significantly increasing energy efficiency while lowering emissions and carbon footprints.

In FY2022, BIH experienced a lower level of business activities due to the hangover effects of the pandemic. These factors led to lower oil prices in early FY2022 and concerns around the long-term viability of large capital investments, particularly during the period when the UN Climate Change COP26 was taking place. Due to the uncertainties, global energy corporations continued to defer FIDs and enquiries for larger energy developments were postponed or shelved indefinitely. These factors resulted in BIH securing fewer contracts in the year.

Similar to FY2021, a majority of the new contracts secured in FY2022 were for projects in Asia and Latin America, representing a noticeable



1. Unloading of WHRUs at LNG development, Europe.

2. 3D WHRU model.

shift away from the traditionally strong geographic markets of Europe and North America in the past few years. Geographically, Europe and North America remained the most important revenue contributors, collectively making up more than 50% of BIH's revenue in FY2022.

BIH's revenue mix continued to be dominated by greenfield energy developments which contributed to about 85% of revenue. In terms of BIH's revenue by types of plants, LNG and gas processing plant developments contributed about 35% of revenue, while petrochemical plant developments contributed to about 30%.

Among the contracts secured in FY2022 that are worthy of mention is an order for three WHRUs to be supplied to Australia's largest LNG development in recent years. BIH's strong track record with the client, dominant reference list for Australian energy developments and leading reputation in this technology field, meant that BIH was

the client's first choice for this complex solution and is a testimonial of BIH's market-leading position for pioneering thermal process technologies.

Another significant contract secured resulted from BIH's proactive diversification strategy to engage clients in new sectors, given the increasing pressure placed on the energy sector – particularly O&G – in the face of elevated climate risks. BIH was awarded a contract for the design, engineering and supply of a process heater system for use in a metal smelting application in Indonesia, where the process extracts raw materials to be used in electric vehicle ("EV") battery production, an emerging global sector. The driver to incorporate BIH's solution was directly linked to consumer pressure for carbon neutrality throughout the EV supply chain. This has highlighted new corporate environmental conscience that is influencing the behaviour of industrial activities for the better, placing BIH in a position to support various sectors to reduce emissions and mitigate climate risks.

Energy Engineering

During FY2022, BIH successfully completed the delivery of our largest contract on record at about S\$100 million, comprising 20 WHRUs that can recover an energy equivalent of 6.4 terawatt-hours annually, enough electricity to power a small country.

With the pace of the green energy transition intensifying, BIH has seen a greater level of engagement with existing and potential clients in the application of facilitating green technologies in both greenfield and brownfield developments. With extensive knowledge in existing solutions and an ability to combine various emissions reduction technologies, BIH is well-placed to support the energy transition. These include the use of hydrogen-fuelled equipment, oxy-combustion, and carbon capture and storage systems, in addition to BIH's existing suite of WHRUs, heat recovery steam generators and once through steam generators that are already being deployed by a diverse range of clients globally.

Despite the challenges of the pandemic, BIH continued to demonstrate operational resilience in FY2022. With proven business continuity plans that facilitate hybrid working patterns where required, BIH's operations have been largely unaffected by the prolonged pandemic. Remote meetings and inspections were conducted where appropriate, as they became widely accepted and adopted by BIH's clients, partners and suppliers. With more countries opening up their borders as the pandemic situation improves, there will also be greater opportunities for face-to-face interactions and meetings, which will facilitate the return to more meaningful business development activities. BIH's global network of offices and representatives will allow us to serve clients on every continent more effectively and efficiently.

Looking ahead at FY2023, BIH expects the market demand to improve as countries review their long-term energy security plans. Current uncertainty of supply, combined

with the spike in demand driven by post-pandemic economic resurgence and the resumption of international travel, have led to higher energy prices. BIH expects a number of energy developments to receive FIDs in the coming year. As the global energy landscape rapidly evolves, BIH will continue to deliver customised solutions that facilitate a greener future, while maintaining the agility and flexibility to pursue opportunities globally.

Boustead Controls & Electrics

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

BC&E's revenue performance in FY2022 was impacted by a reduced order backlog carried forward from FY2021,

1. Transportation of WHRUs by semisubmersible heavylift vessel.



arising from the extremely weak conditions in the upstream O&G sector in the previous year that led to a major slowdown in business development opportunities and enquiries. However, new contracts secured during FY2022 recovered as clients in the Middle East in particular, began to expand expenditures in upstream O&G energy developments in light of increasing global demand as economic activities began to resume from the pandemic. Geographically, the Middle East is the most important market for BC&E, accounting for about two-thirds of both revenue and new contracts secured.

Among the key contracts secured were projects for the design, engineering and supply of wellhead control panels, HPUs and injection rate control device systems for end-user client, Qatar Petroleum, the world's largest LNG producer. In addition, BC&E secured contracts with five new clients during FY2022, also mostly in the Middle East. The UAE continued to provide steady business development opportunities,

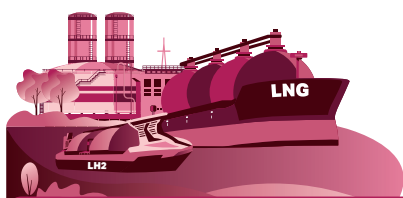
as it serves as a regional base to conduct activities in Africa, Central Asia and the Middle East.

In FY2022, BC&E was able to operate at full capacity despite the ongoing pandemic. BC&E's operations in Singapore continued to support projects in South Asia, South East Asia and Qatar, while BC&E's manufacturing base in UAE served regional markets and also the buoyant O&G activities in Abu Dhabi. BC&E also concluded its long-awaited setup of a manufacturing base in Saudi Arabia, certified by Saudi Aramco as a vendor under In-Kingdom Total Value Add ("IKTVA"). This has allowed BC&E to bid for contracts from Saudi Aramco and meet local content requirements, opening up the market to BC&E after a multi-year absence. Nonetheless, even with IKTVA, BC&E expects Saudi Arabia to continue to be a highly competitive market with the established presence of other competitors.

BC&E expects an improvement in revenue performance in FY2023,

following a pickup in order intake in FY2022. The value of new contracts secured by BC&E in FY2022 was at the highest in recent years, an achievement that was supported by a robust enquiry pipeline.

Moving ahead in FY2023, BC&E expects to see a generally positive market supported by increasing demand for energy security as a result of the Russia-Ukraine War and other geoeconomic and geopolitical concerns. Revenue performance is also expected to improve, following the higher value of new contracts secured in FY2022 and the continued expansion of BC&E's manufacturing bases in the Middle East, particularly Saudi Arabia.



FY2022 Business Highlights

Apr – Jun 2021

Africa, Asia, Latin America

Awarded S\$19 million in contracts for process heater systems, WHRU and process control systems

Jul – Sep 2021

Africa, Asia, North America

Awarded S\$8 million in contracts for process control systems

Oct – Dec 2021

Africa, Asia, Australia

Awarded S\$13 million in contracts for WHRUs and process control systems

Jan – Mar 2022

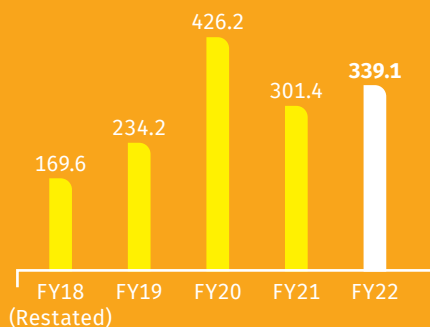
Asia, Australia

Awarded S\$5 million in contracts for process heater system and process control systems

Real Estate

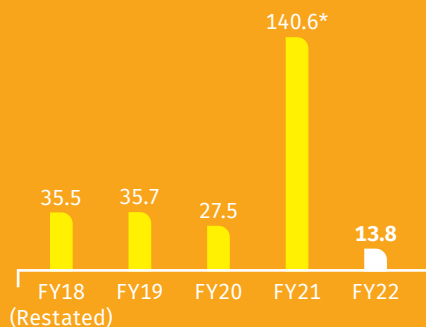
Performance Highlights

Division Revenue

S\$339.1 millionYear-on-year: ▲ 13%

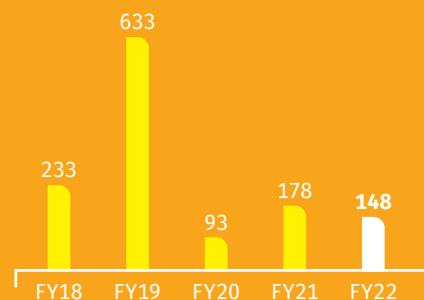
► Higher revenue was due to greater revenue recognition on E&C projects.

Division Profit before Income Tax ("PBT")

S\$13.8 millionYear-on-year: ▲ 90%

► Lower PBT was due to the absence of the BIF value-unlocking transaction one-off gain of S\$134.8 million ("BIF Value-Unlocking Gain") registered in FY2021.

Division Contracts Secured

S\$148 millionYear-on-year: ▲ 17%

► Lower contracts secured was due to a strategy shift to focus on high value-added sectors, and to better manage resources to complete projects secured pre-pandemic.

* Includes BIF Value-Unlocking Gain.

About

Our Real Estate Division's key business brand under Boustead Projects Limited ("Boustead Projects") – a 54%-owned subsidiary which is separately listed on the SGX Mainboard – is a leading provider of innovative eco-sustainable real estate solutions with a regional presence. Boustead Projects' core businesses are uniquely integrated to support the ecosystem of diversified classes of real estate, which comprises turnkey engineering & construction ("E&C") and real estate development, asset management and fund management, including the Boustead Industrial Fund ("BIF").

Market Sectors

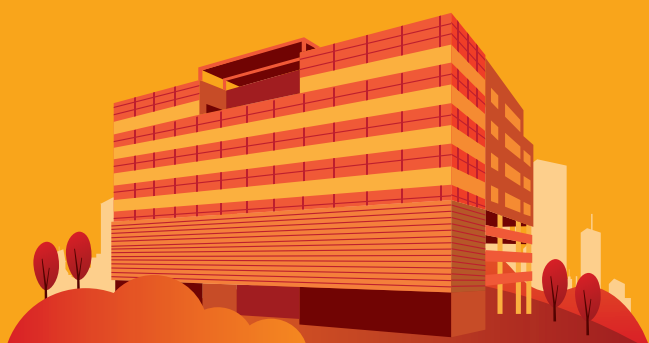
HIGH VALUE-ADDED SECTORS

- 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

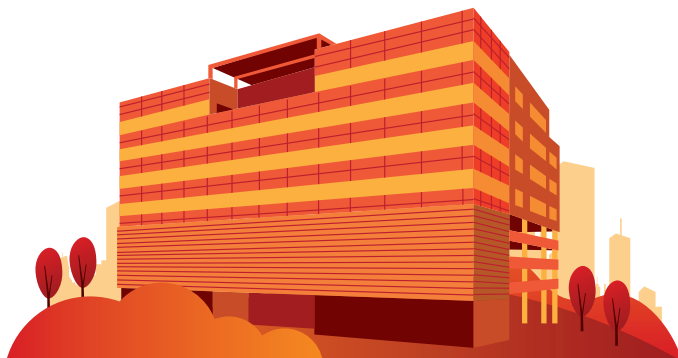
- China
- Malaysia
- Singapore
- Vietnam





Boustead Projects team member using 3D focus laser scanner.

Real Estate



Market Review

The market was focused on:

- Challenging market conditions due to the COVID-19 pandemic; and
- Cost escalation and supply chain disruptions.

Key Highlights

Our Real Estate Division achieved:

- Higher revenue recognition due to an ability to execute projects all year-round;
- First full-year contribution from BIF; and
- New lines of strategic investments.

Boustead Projects is the leading provider of innovative eco-sustainable real estate solutions in Singapore, focusing on the E&C, development and management of smart, eco-sustainable and future-ready 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 leader in pioneering Green Mark Platinum-rated new private sector industrial developments under the Building & Construction Authority ("BCA") Green Mark Certification Scheme. BP E&C is also a national champion of best practices for transformation, quality, environmental, and workplace safety and health ("WSH") management. Related achievements include being the first and only SkillsFuture Queen Bee appointed for Singapore's built environment ("BE") sector, quality leader on the BCA CONQUAS all-time top 100 industrial projects list and one of only eight bizSAFE Mentors, having received numerous awards for exemplary WSH performance.

For the 15th successive year, Boustead Projects continued to be the Group's largest revenue contributor in FY2022, despite having endured unprecedented and prolonged site closures and labour shortages that affected productivity in the previous year. The situation

improved slightly in FY2022 with E&C activities reaching more normalised levels, leading to division revenue being 13% higher year-on-year at S\$339.1 million. However, division PBT was 90% lower year-on-year at S\$13.8 million, as the division worked through the pre-pandemic order backlog and in the absence of the previous year's BIF Value-Unlocking Gain.

In FY2022, margins of contracts secured pre-pandemic continued to be impacted by inflationary pressure including an escalation in labour, construction material and supply chain costs. Amid volatile market conditions, Boustead Projects' contracts secured was 17% lower year-on-year at S\$148 million, as there was a cautious and selective rebuilding of the order backlog to focus on high value-added sectors where we retain a competitive advantage, expertise and familiarity. This approach has helped Boustead Projects to mitigate risks in relation to the margins of contracts secured post-pandemic.



1. Wilmar International HQ, one-north, Singapore.
2. Skylight of Wilmar International HQ, one-north, Singapore.

E&C Business

During the year, Boustead Projects completed a number of milestone projects including Bombardier Singapore Service Centre Phase 2, Razer SEA HQ and Wilmar International HQ – with the latter two projects adding to the innovative landscape of Singapore's thriving R&D hub, one-north. Wilmar International HQ is characterised by tiered landscaped terraces, set in lush greenery and natural ecosystems integrated throughout the entire development. The project is Singapore's first building to incorporate two-metre terracotta fins that provide a passive cooling system – through the reduction of solar glare while offering protection from the rain – in response to Singapore's tropical climate. For its outstanding design, construction and integration of natural ecosystems, Wilmar International HQ was awarded the Best Office Development Silver Award at the MIPIM Asia Awards 2021 and also the Commercial Projects Merit Award at the Singapore Institute of Architects Architectural Design Awards 2021.

Boustead Projects also continued to make substantial progress on our two largest projects, JTC Kranji Green and Surbana Jurong Campus, both of which had been secured pre-pandemic at margins that did not take into consideration elevated pre-pandemic costs. Both projects are now scheduled to be completed in FY2023 and continue to be landmark projects in Singapore's industrial real estate landscape. JTC Kranji Green – as Singapore's first multi-storey recycling facility to house recyclers handling waste streams like metals, paper and plastics – is a national project that supports Singapore's vision of a circular economy. Surbana Jurong Campus is Singapore's first large-scale business park and industrial development to be awarded the BCA Green Mark Platinum – Super Low Energy rating, an important step in the BE sector towards lower emissions, better climate resilience and building lifecycle sustainability. Simultaneously, Boustead Projects embarked on and delivered several other projects spanning targeted high

Real Estate

value-added sectors including the pharmaceutical, semiconductor and technology sectors.

In another step in the right direction and among Singapore's firsts in the industrial real estate sector, Boustead Projects advanced on the delivery of Takeda Singapore Biologics Manufacturing Support Building under a design-and-build contract, which is aligned with the BCA's evolving Green Mark Certification Scheme, specifically Green Mark Platinum – Zero Energy Building. The project is expected to be able to sustain building operations without drawing any electricity from the national grid. Upon the project's imminent completion, Boustead Projects' track record as the market leader in smart, eco-sustainable and future-ready developments will be further reinforced, as we continue to provide transformative solutions that strengthen the BE sector's climate resilience.

Riding on successful efforts to expand regionally, Boustead Projects continued to make inroads in Malaysia and Vietnam, securing several new design-and-build contracts in both countries including a sizeable variation order for a significant project in Penang. Having already delivered Phases 1 and 2 for a Fortune 500 technology corporation's advanced semiconductor manufacturing, logistics and office facility during the year, the sizeable variation order was awarded to simultaneously deliver Phases 3 and 4, which was also completed in FY2022. Other notable overseas contracts secured were mainly in the logistics and pharmaceutical sectors.

In FY2022, technology continued to play a key role in mitigating risks associated with the pandemic by increasing productivity while reducing reliance on labour, allowing for highly collaborative activities such as IDD, virtual design and construction ("VDC"), value engineering and physical

construction activities to be conducted in a productive and safe manner. Boustead Projects' IDD Team continued to push forward with transformative technologies implementation, scaling new heights with digitalisation and strengthening value propositions in 7D building information modelling ("BIM") by utilising 3D scanning, AI and machine learning, AR and VR, data analytics and drone technology. Having expanded the number of use cases in ongoing projects, 7D BIM was demonstrated to show the following real benefits:

- Digital progress documentation reduced the risk of late claims, disputes and rectifications;
- Clients and senior leadership could conduct virtual project site visits to review ongoing construction activities without travelling to project sites, saving the need for additional logistics, swab testing and time, and keeping them well, healthy and safe;

1. Razer SEA HQ, one-north, Singapore.

2. VR demonstration to clients for Takeda Singapore Biologics Manufacturing Support Building.



- Project management progress updates could be remotely conducted offsite for key issues to be identified and rectified, significantly reducing potential miscommunications; and
- EHS 360-degree virtual reports delivered remote visualisation capabilities, allowing for timely EHS interventions.

Other ConTech and PropTech initiatives were also implemented in the year across four projects. These initiatives include the Common Data Environment (“CDE”) and Digital Operations & Maintenance Manuals (“DOMM”). CDE is a centralised digital hub where project information is shared and stored, to enhance digital collaboration. DOMM improves data governance and enhances the review process of the many project stakeholders, from construction to facilities management by embracing the digitalisation of building lifecycle activities.

Boustead Projects also continued to be a national champion for building up the resilience of Singapore’s BE sector. Adding to Boustead Projects’ reputation as a market leader, we were appointed as a SkillsFuture Queen Bee – the first and only within the BE sector – to drive workforce upskilling and help our partners, particularly small and medium-sized enterprises (“SMEs”) to build up their technology skills capabilities to meet business needs. This will help the BE ecosystem to learn about and integrate new technology capabilities to not only tackle the pandemic but also longer term issues of climate change and sustainability. Boustead Projects’ position as a SkillsFuture Queen Bee also complements our existing position as a bizSAFE Mentor, among only eight across Singapore and the only one among our direct competitors. As a bizSAFE Mentor, Boustead Projects has advised and trained thousands of partners and SMEs to achieve higher EHS standards

and promoted a healthier and safer BE ecosystem.

Real Estate Business

In FY2022, Boustead Projects advanced on multiple initiatives, with BIF delivering a first full-year of contribution and generating multiple long-term recurring income streams through our management and leasing activities for BIF.

Following the successful launch of BIF, Boustead Projects initiated a first post-launch injection of a property into BIF. Boustead Projects’ joint venture property ‘351 on Braddell’ developed together with The Platform-Hanwha ARESF Fund No 1, was sold to BIF in November 2021 and marks another execution milestone for BIF. Boustead Projects expects properties to be progressively injected into BIF at a steady pace, with our remaining eligible properties in Singapore enlarging BIF over several years. Boustead Projects continues to hold



Real Estate

100% shareholding of BIF's manager and 25% unitholding of BIF, which will allow Boustead Projects and Boustead Projects' shareholders to continue to benefit from the progressive expansion and growth of BIF in the future.

With the active management of Boustead Projects' portfolio, leasing efforts advanced in many areas. The two multi-tenanted properties within Boustead Projects' portfolio located at one-north, ALICE@Mediapolis ("ALICE") and Razer SEA HQ, are approaching asset stabilisation with committed occupancies of 88% and 92% respectively at the end of FY2022. At ALICE, most of the development's remaining vacancy has been designated as Venture Suite space, mandatorily set aside for SMEs and JTC Corporation ("JTC")'s LaunchPad graduates. In addition, another multi-tenanted property, 6 Tampines Industrial Avenue 5 achieved committed occupancy of 100%.

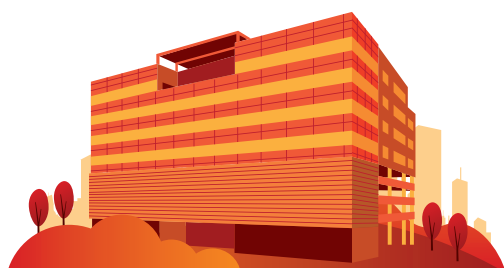
Meanwhile, Razer SEA HQ – designed with Razer's unmistakable sleek green lines in LED against a black facade – officially opened as Razer's new headquarters for South East Asia and home to their 1,000 employees in Singapore. Adding to the development's Green Mark Gold Plus rating, an agreement was recently signed in May 2022 to build Razer's first solar installation that will generate renewable energy of 256,000 kilowatt-hours per year under their 10-year sustainability plan #GoGreenWithRazer, a commitment to transfer their entire operations to 100% renewable energy by 2025 and become fully carbon neutral by 2030.

The Boustead Development Partnership ("BDP") also saw the completion of Bombardier Singapore Service Centre Phase 2, which is a single-tenanted development for Bombardier Aerospace that will quadruple its space for maintenance, repair and overhaul, refurbishment and modification services to support Bombardier's

suite of private jets. Located at Seletar Aerospace Park, Bombardier Singapore Service Centre Phases 1 and 2 are a dominant presence located at one end of Seletar Airport's single runway.

In FY2022, Boustead Projects remained active in expanding our presence in Vietnam. Following the commencement of operations at Boustead Industrial Park Phase 1 in 2019, Boustead Projects completed Boustead Industrial Park Phase 2A during FY2022, with Phase 2A already achieving 85% committed occupancy.

In other developments in Vietnam, Boustead Projects had initially announced the proposed acquisition of a 49% shareholding in KTG & Boustead Joint Stock Company ("KBJS") in June 2021, with KBJS being the owner of 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



FY2022 Business Highlights

Jun 2021

Singapore

Awarded A&A contract for Fortune 500 technology corporation's integrated manufacturing, logistics and office facility

Jun 2021

Vietnam

Signed US\$12.5 million (~S\$17 million) option agreement to acquire 49% shareholding in KBJS (with further revision of terms in May 2022)

Jun 2021

Malaysia

Awarded construction contract for Fortune Global 500 logistics corporation's integrated logistics and office facility

Aug 2021

Singapore

Boustead Projects-led consortium acquired S\$117 million of mezzanine debt

industrial parks in strategic locations in Vietnam. Although progress was made on due diligence efforts in FY2022, the strict pandemic lockdowns in Vietnam delayed numerous onsite due diligence activities and pushed the completion of the deal beyond FY2022. Boustead Projects recently announced in May 2022 that revised proposed acquisition terms will see Boustead Projects acquire a 60% shareholding in KBJSC, which will acquire KBILF's initial properties with a total market valuation of US\$84.2 million, comprising over 396,000 square metres ("sqm") in land and buildings, with further acquisition and expansion phases planned thereafter.

In Malaysia, Boustead Projects unlocked the value of a logistics hub located at the Port of Tanjung Pelepas and owned by associate, THAB PTP Sdn Bhd. The sale of the property yielded a small net gain and was deemed a profitable venture after several years of receiving rental income as well.

In August 2021, Boustead Projects joined a consortium in acquiring S\$117 million of mezzanine debt in relation to 28 & 30 Bideford Road, a brand new Grade-A 18-floor mixed development in the prime Orchard Precinct in Singapore. As recently announced in June 2022, together with consortium partners, Boustead Projects has acquired the development for S\$515 million, representing another value creation opportunity made possible by our strong balance sheet and stable foundation.

At the end of FY2022, outside of BIF, Boustead Projects' completed wholly-owned properties had a total market valuation of over S\$110 million, comprising over 108,000 sqm in gross floor area ("GFA"), with an overall occupancy rate of 95% and WALE of over four years. Outside of BIF, Boustead Projects' completed jointly-owned properties had a total market valuation of over S\$516 million*, comprising over 127,000 sqm in GFA,

with an overall occupancy rate of 95% and WALE of over nine years.

At the end of FY2022, BIF properties had a total market valuation of over S\$689 million**, comprising over 195,000 sqm in GFA, with an overall occupancy rate of 98% and WALE of over five years.

Sep 2021

Singapore

Awarded design-and-build contract for global technology corporation's central utilities facility

Sep 2021

Malaysia

Awarded variation order for Fortune 500 technology corporation's advanced integrated high-tech manufacturing, logistics and office facility

Nov 2021

Malaysia

Awarded design-and-build contract for Fortune 500 pharmaceutical corporation's integrated logistics and office facility

Dec 2021

Singapore

Awarded design-and-build contract for Fortune 500 pharmaceutical corporation's manufacturing facility

* Assumes 100% interest in five jointly-owned properties.

** Assumes 100% interest in 15 BIF properties.

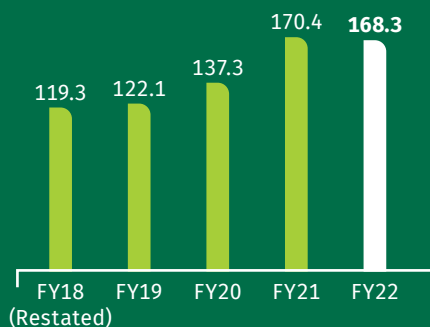
Geospatial

Performance Highlights

Division Revenue

S\$168.3 million

Year-on-year: ▼ 1%

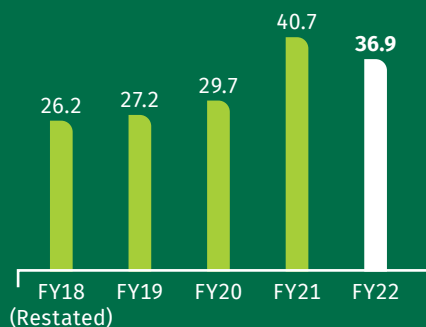


► Stable revenue year-on-year as demand for GIS technology and smart mapping capabilities continued to hold firm.

Division Profit before Income Tax ("PBT")

S\$36.9 million

Year-on-year: ▼ 9%

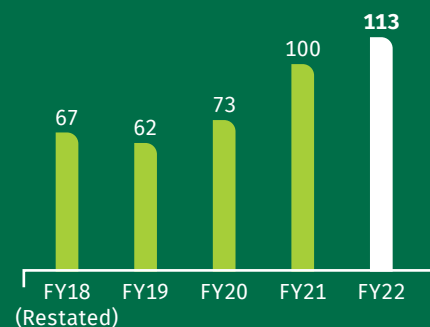


► Lower PBT was due to variations in revenue mix.

Division Year-End Deferred Services Backlog

S\$113 million

Year-on-year: ▲ 13%



► 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, Esri Indonesia and Boustead Geospatial Technologies ("BGT") – provide professional services and exclusively distribute Esri ArcGIS technology, the world's leading geographic information system ("GIS"), smart mapping and location analytics enterprise platform to major markets in the Asia Pacific. The enterprise platform creates digital infrastructure solutions and digital twins that enable smart nations, smart cities and smart communities to solve the world's most complex problems by improving human wellbeing and ecosystems, and helping in the effective planning and management of key infrastructure and resources.

Market Sectors

ALL SECTORS

- Agribusiness
- Architecture, engineering and construction ("AEC")
- Banking
- Climate action
- Defence and intelligence
- Education
- Emergency services
- Government
- Health
- Infrastructure
- Insurance
- Law enforcement
- Mining
- Natural resources
- Non-profit organisations
- Plantation
- Ports and maritime
- Real estate
- Retail
- Supply chain, logistics and freight
- Telecommunications
- Transport
- Utilities

Geographic Markets

8 COUNTRIES AND TERRITORIES

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





Improved situational awareness of North East Water field teams using geospatial technology, Australia.

Geospatial



Market Review

The market was focused on:

- Management of and recovery from the COVID-19 pandemic;
- Climate resilience; and
- Digital transformation.

Key Highlights

Our Geospatial Division achieved:

- Stable revenue and PBT performance;
- Record year-end deferred services backlog; and
- Delivery of critical digital transformation and technology support to clients.

Widely acknowledged as the Asia Pacific's foremost authority on GIS technology, the Geospatial Division is ranked among the top exclusive distributors in Esri Inc's global network with a client base of over 13,000 organisations regionally.

In FY2022, the division achieved a stable revenue and PBT performance. As demand for GIS technology and smart mapping capabilities continued to hold firm across the region, the division also went on to secure our highest year-end deferred services backlog.

Division revenue was stable year-on-year at S\$168.3 million. Revenue growth in Indonesia, Malaysia and Singapore, was balanced by revenue contribution from Australia which was marginally down despite challenging market conditions shaped by the pandemic and currency exchange headwinds. Division PBT decreased 9% year-on-year due to variations in the revenue mix, distorted by substantial recognition on higher margin activities on two large Enterprise Agreements ("EAs") in the previous year. Had the recognition been on a straight-line basis across the multiple years of the EAs, there would have been revenue and PBT growth year-on-year.

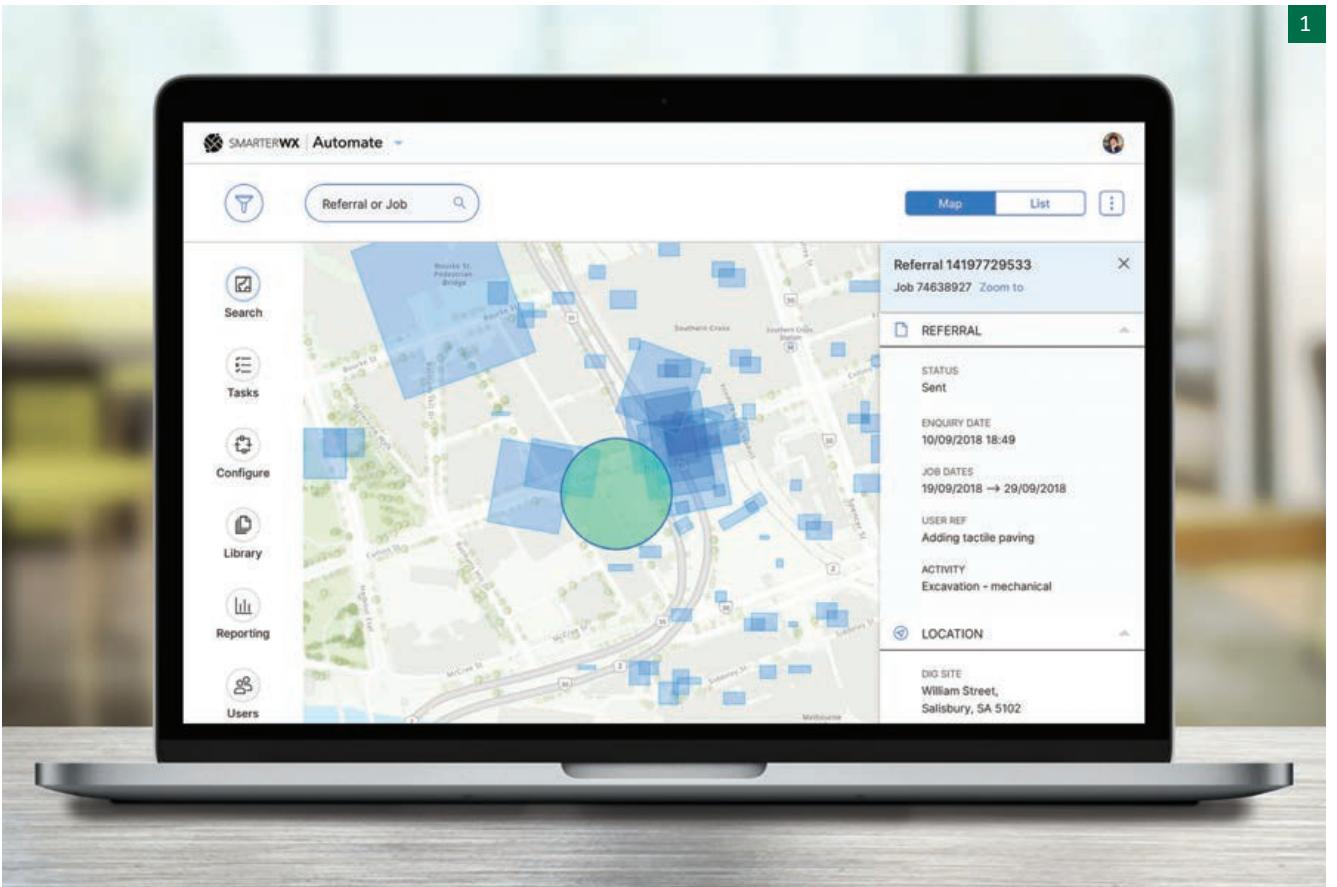
In FY2022, clients across the region continued to place their focus on business continuity and resilience, amid the impact of the pandemic and supply chain pressures caused by geopolitical tensions, natural disasters and resource shortages. The division maintained a strong strategic focus on client success, while building a broader and stronger foothold in both

the private and public sectors. The progress made in these areas helped the division to secure our highest year-end deferred services backlog at S\$113 million, a 13% increase from FY2021 when we registered a deferred services backlog touching S\$100 million for the first time in our history.

Esri Australia

Esri Australia continued to deliver a steady performance in FY2022, in a year marked by several multi-million-dollar EAs. In total, 57 EAs were secured, representing growth of 42% year-on-year. These EAs were signed with clients in the AEC, government, infrastructure, mining and utilities sectors.

During FY2022, Esri Australia led several business optimisation initiatives aimed at aligning and fully mobilising capabilities dispersed across the Geospatial Division to drive operational excellence and enhance competitive advantage, while realising cost saving opportunities. Most notably, Esri Australia led the establishment of



1. SmarterWX Automate, Australia.
2. World's largest implementation of Esri Utility Network by Energy Queensland, Australia.

a regional client service centre to bolster service delivery capacity and support capabilities across the division, including BGT. Once fully deployed, the Regional Service Desk will support accelerated delivery of managed service offerings into the growth markets of Indonesia, Malaysia and Singapore.

Esri Australia's service delivery was also reengineered to align our operating framework with a sector-based sales model. The restructuring has enhanced client experience and recorded a measurable uplift in both client and internal capabilities. Best practice performance metrics were also introduced to allow the organisation to adopt a broad, data-driven approach across the enterprise, advancing efforts to establish a regional centre of technical excellence.

FY2022 also saw strong progress of the managed services model within Esri Australia, with major investments in automation technologies driving significant operational efficiencies and improving the client experience.

The optimisation of key workflows allowed Esri Australia to better meet client expectations in the provision of GIS capabilities, insights and outcomes to clients.

Esri Australia continued to deepen our relationship with our largest client, the Australian Federal Government and their various key departments. At one of the government's largest departments, efforts to expand the use of Esri technology, coupled with increased levels of account coverage, contributed to a significant uplift in the adoption of the technology with the department's training course attendees increasing by 65% year-on-year.

Strong sales growth was also achieved within the natural resources sector, underpinned by efforts to actively expand client engagements by embedding GIS as a service, in line with a growth strategy focused on incorporating advisory services, embedded resourcing, managed services and Cloud GIS within service offerings.

Geospatial

The most prominent example of this is seen in Esri Australia and Energy Queensland ("EQ") successfully deploying the world's largest implementation of ArcGIS Utility Network. Integrating a vast network of information assets and legacy systems, the unified GIS ("UGIS") platform allowed EQ's team, data and enterprise systems to be better connected, allowing users to manage assets more effectively through advanced network visualisation and whole-of-business data transparency. The UGIS platform set a global benchmark for project delivery and established the scalability of ArcGIS Utility Network for large utilities, with additional solutions to be built on the UGIS platform in FY2023. The success of the EQ deployment has also led to the securing of several engagements with other utilities, from west coast-based Water Corporation to east coast-based Hunter Water, which will see both utilities transform their operations through the ArcGIS Utility Network model in multi-year deployments.

During FY2022, the Connect Australia Project – a project of national importance – was launched to mobilise and unite both key government and industry groups behind establishing a national Integrated Geospatial Information Framework ("IGIF"). The IGIF initiative represents a key strategic effort to heighten engagements with the most senior decision-makers to place geospatial capabilities at the centre of all data-driven decision-making practices within the government.

Esri Australia also delivered on other projects with an impact on the environment, sustainability and community. In FY2022, Sun Cable – the world's largest solar energy infrastructure network – engaged Esri Australia to provide initial GIS capabilities. Due for completion in 2027, the project will see the construction of a 5,000 kilometres high-voltage undersea cable that will supply solar power generated in Australia to Singapore, with the aim of meeting 20% of the country's electricity needs. The renewable energy sector will remain a key focus for Esri Australia throughout FY2023, as the interest in large-scale renewable energy developments continues to grow among government agencies and private sector investors, especially in light of climate change.

GIS technology continued to be at the forefront of crisis, emergency and life-saving operations, with Esri Australia also supporting Queensland Fire & Emergency Services in their digital transformation journey to provide an automated online risk assessment platform by analysing data from 77 local councils to account for potential and actual damage to life and property. The solution will employ ArcGIS Enterprise as a core component to provide state-wide risk assessment. FY2023 will see the expansion of the risk assessment framework to other states and territories, advancing critical geospatial infrastructure for emergency management.

BGT's innovative SmarterWX suite also continued to transform the AEC sector including the digital transformation of partner, Dial Before You Dig. The latest edition to the suite, SmarterWX Sentinel went live in July 2021 and within five months, had processed one million Dial Before You Dig enquiries nationally. In Victoria, 50% of all Dial Before You Dig enquiries are now processed by SmarterWX Automate. FY2023 is expected to be the year when the SmarterWX suite becomes the dominant processor for Dial Before You Dig enquiries and also is potentially marketed outside of Australia.

Esri Singapore

Esri Singapore's traditional growth area of the public sector remained strong in FY2022, following increased engagements with government agencies.

In FY2022, Esri Singapore saw greater use of Esri technology by the Singapore Government in the areas of public security and safety. The technology also continued to play a key role in climate resilience, enabling users to forecast and mitigate the impact of unexpected events, ranging from natural disasters to longer-term changes in weather patterns brought about by climate change. Esri Singapore worked with PUB – Singapore's national water agency – to develop a world-leading flood alert monitoring system that demonstrates growing GIS technology adoption by the Singapore Government. In a separate collaboration with National Parks Board ("NParks"), Boustead-Esri Geospatial Scholarship recipient, Li Yangyang, created Singapore's first soil database that can identify slopes that are susceptible to erosion and landslides,

with such incidents more likely to occur with climate change and more volatile weather.

The Maritime & Port Authority of Singapore ("MPA") launched GeoSpace-Sea, Singapore's National Marine Spatial Data Infrastructure using Esri's open technology platform for both maritime and landward spatial data enterprise systems. GeoSpace-Sea aims to integrate land, marine and coastal data from 11 government agencies to bridge the information gap between land and sea, and grow capabilities to ensure navigational safety in Singapore's waters in tandem with expected increases in sea vessel arrivals and the multi-decade expansion of the state-of-the-art Tuas Mega Port.

To augment in-house expertise in master planning feasibility studies, the Ministry of Health also used Esri technology to co-create a first-of-its-kind tool to guide the planning and development of new healthcare facilities across the country. Comprising ArcGIS Pro and CityEngine, the tool serves as a one-stop multi-platform solution that delivers master planning and analytics to automate the generation of feasibility studies. Integrating data from several government agencies such as the Land Transport Authority, NParks and Urban Redevelopment Authority ("URA"), the solution provides visualisation in a dynamic mapping environment and allows for new healthcare facilities site selection analysis, healthcare-specific planning requirements and generative design capability steps.

SembWaste, a leading sustainable environment service provider, deployed technologies with Internet of Things ("IoT") attributes to capture real-time information on the amount of refuse and recyclables collected, automatically generating fault alerts for quick response and recovery. The IoT features automatically detect and raise the alarm if there are fires in refuse storage systems, such as mobile and stationary compactors. These enhancements are integrated into SembWaste's One Dashboard, a smart waste management system housed at their Operations Command & Control Centre, supporting the centralisation of fleet management and surveillance capabilities. The system also helps to improve productivity by optimising collection frequency and routes based

on data analysis of bin fill status, traffic conditions and waste disposal patterns.

Esri Malaysia

Esri Malaysia increased reach in key markets of agriculture, local government, public safety and utilities. Within Malaysia, the power of GIS technology and collaboration were greatly demonstrated during natural disasters and the pandemic, through on-the-ground public client engagements during these challenging times.

The ongoing impact of the pandemic saw continued demand for GIS technology in the government and healthcare sectors. This includes real-time dashboards and data tools to assess, manage and monitor the impact of the pandemic and help with recovery. For example, through an extension of Esri Malaysia's COVID-19 Disaster Response Programme, Bahagian Geospasial Pertahanan, Jabatan Ukur dan Pemetaan Malaysia ("BGSP JUPEM") also known as the Geospasial Defence, Department of Survey & Mapping, was provided with the necessary capabilities to monitor and track areas under quarantine order to facilitate the reopening of Malaysia's borders and economy.

Separately, FY2022 also saw an unprecedented flood emergency in Shah Alam, the state capital of Selangor. Esri Malaysia provided key support to the city's GIS department by assigning team members to provide complimentary service with the council both during the crisis and thereafter, to devise a flood disaster management solution for possible future events.

Esri technology also helped to improve Malaysia's recycling rate which reached an impressive rate of 30% in 2021. The total collection of recycled items in May 2021 climbed to 307.6 tonnes, an 89% increase year-on-year. Underlying this achievement was the use of Esri technology in the digital transformation of Solid Waste Management & Public Cleansing Corporation ("SWCorp")'s operations and the implementation of their platform, WEGIS, in 2019. Standing for Waste Executive Geographic Information System, WEGIS is an application designed to enhance SWCorp's productivity by improving operations management and monitoring through high levels of data

access and visualisation, critical to SWCorp's role as the national hygiene regulator.

Esri Indonesia

Riding on a platform of growing engagement, Esri Indonesia continued to make strong inroads with government agencies and further strengthened relationships with the natural resources sector.

In a milestone moment, Esri Indonesia launched **Onemap.id**, a GIS-based portal supporting local government digital transformation to drive informed policymaking, improve service delivery and increase public satisfaction.

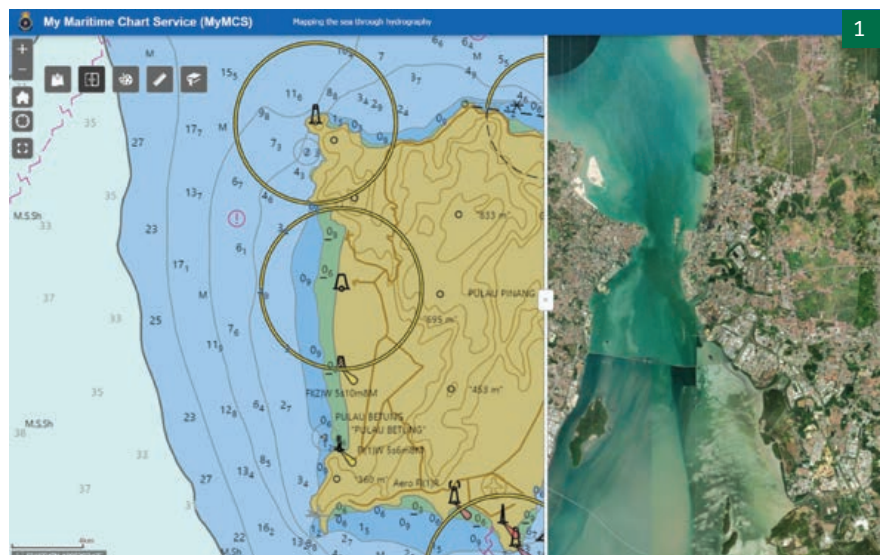
Onemap.id provides thematic solutions such as community engagement, crime monitoring, disaster management, environment and waste management, epidemiological surveillance, infrastructure management, revenue and tax management, social assistance and tourism – currently used in 15 cities across Indonesia.

Esri Indonesia was also able to secure a significant engagement with the Ministry of Agrarian Affairs, Spatial Planning/National Land Agency to provide an analysis tool to evaluate

and simulate the country's Detailed Spatial Plan ("RDTR") before it was validated or enforced by law. Urban planners require real-time data in their evaluation of the RDTR and development permits. In response, Esri Indonesia developed an innovative online solution that would allow for on-the-fly simulations of development impact across traffic, water usage and optimum development zones. This engagement represents one of the largest competitor replacements ever secured and has established Esri Indonesia's credibility as a highly reliable and capable innovation partner to the Indonesia Government.

Furthering our market leadership in the natural resources sector, Esri Indonesia also developed Digital Forest for Perhutani, a state-owned enterprise responsible for managing forests on Indonesia's Java and Madura Islands, bringing together data from across the archipelago into a centralised dashboard to improve accuracy of forestry data and streamline field workflows. This solution has improved the accuracy, management and quality of spatial data coming from the field to make smarter decisions around sustainable forest management.

1. MyMarine Geo-hub, Malaysia.



Geospatial

As local governments and communities across the country battled a continuous stream of large-scale natural disasters on top of surges of new COVID-19 variants, demand for crisis and disaster management solutions remained constant. During FY2022, the Geospatial Division's Disaster Response Programme ("DRP") – where organisations are granted free short-term access to ArcGIS software licences – saw 17 requests for access from clients, with more than a third originating from Indonesia, the world's most natural disaster-prone country, which experienced over 3,000 natural disasters in 2021. From responding to catastrophic flood events to supporting pandemic safety measures, the DRP provided those on the frontline of the crises with access to ready-to-deploy smart mapping solutions, real-time data dashboards and skilled GIS professionals to aid evacuation, search, rescue and recovery efforts.

In line with crisis management, Esri Indonesia also entered into a strategic partnership with the

National Search & Rescue Agency ("BASARNAS"). The Memorandum of Understanding focused on building resilience by increasing the use of GIS technology, big data analysis and artificial intelligence in disaster risk mitigation, and urban search and rescue operations. By enabling government agencies like BASARNAS to seamlessly access accurate and authoritative information at any time and from any location, GIS technology can significantly improve collaboration, allow for more efficient coordination of disaster response efforts and most importantly, save lives.

Regional Accolades

At the Esri User Conference held in July 2021, nine clients within the Geospatial Division's respective exclusive distribution network were internationally recognised with the prestigious Special Achievement in GIS ("SAG") Award. In addition, for the first time in the division's history, there was a winner of the SAG Award from Bangladesh – the Dhaka Power Distribution Company. These SAG

Award recipients were 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 Australian Institute of Health & Welfare ("AIHW") and North East Water ("NEW") were conferred the SAG Award. AIHW was recognised for innovative use of GIS technology to pioneer new ways of analysing and sharing public health data and for mapping vital data on self-harm and suicide behaviour across the Australian population, allowing users to better understand the distribution of population and community-level risk. NEW, Victoria's water and wastewater services provider, was recognised for their remote, large-scale digital transformation project riding on ArcGIS Utility Network to better deliver water services to communities across the state. NEW was able to support strategic planning and field operations by identifying the number of customers



FY2022 EA Highlights

Apr 2021

Australia

Advara

Jul 2021

Australia

Department of
Agriculture, Water & the
Environment

Jul 2021

Australia

Queensland Government's
Department of Resources

Jul 2021

Australia

City of Gold Coast

affected during an outage, enabling senior management to determine and monitor high incident areas. At an operational level, mobile-centric mapping has improved the situational awareness of field crews, with the tracing system determining the exact valves to shut off when pipes burst.

In Singapore, the MPA was conferred the SAG Award for their earlier mentioned ground-breaking GeoSpace-Sea, a highly advanced Marine Spatial Data Infrastructure (“MSDI”) with land, marine and coastal data shared from 11 government agencies.

In Malaysia, BGSP JUPEM, the Royal Malaysian Navy’s National Hydrographic Centre (“NHC”) and SWCorp were conferred the SAG Award. BGSP JUPEM and SWCorp were recognised for their earlier mentioned COVID-19 digital hub and WEGIS respectively. NHC was recognised for their innovative MSDI portal – MyMarine Geo-Hub – which creates a single source of marine data and provides reliable insights to support

activities ranging from marine wildlife habitat conservation to climate resilience strategies.

In Indonesia, Pertamina Hulu Energi, a subsidiary of state-owned energy corporation Pertamina and Waskita Karya, a state-owned construction corporation, were conferred the SAG Award. Pertamina Hulu Energi was recognised for their innovative real-time, smart mapping system – eXplore Digital World – which converts the organisation’s vast stores of data into actionable business insights. Waskita Karya was recognised for their best practice approach to project management which created a digital twin and next-generation information management system that brought together huge volumes of data for large-scale infrastructure projects in a centralised location.

Apart from global recognition of the division’s clients, Esri Singapore’s Senior Lead Geospatial Consultant, Sharon Gin, was selected from among 600 nominees and honoured in the

2021 Singapore 100 Women in Tech (“SG100WIT”) list in recognition of her achievements in the geospatial sector. Organised by the Singapore Computer Society in partnership with the Infocomm Media Development Authority, SG100WIT celebrates inspirational women in Singapore who have made significant contributions to the tech sector.

Moving forward in FY2023, the Geospatial Division intends to fortify the role of Esri ArcGIS technology in smart city planning, climate resilience, ESG programmes, crisis and disaster response, and underpin the creation of sustainable socio-economic value across the region. Our Geospatial Division aims to continue to be central to the mapping of this transformation in the Asia Pacific.

Jan 2022

Australia

Water Corporation

Mar 2022

Australia

AEC and infrastructure corporation

Mar 2022

Singapore

Singapore Land Authority

Mar 2022

Singapore

URA

Esri Special Achievement in GIS Awards

	Australia	Singapore
Total	28 awards	21 awards
2021	<ul style="list-style-type: none"> Australian Institute of Health & Welfare for mental healthcare GIS solution North East Water for water utilities management GIS solution 	<ul style="list-style-type: none"> Maritime & Port Authority of Singapore for GeoSpace-Sea
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's 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's 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
19 awards	16 awards
<ul style="list-style-type: none"> Department of Survey & Mapping Malaysia ("JUPEM"), Geospatial Defence Division ("BGSP") for Joint Common Operating Picture National Hydrographic Centre for MyMarine Geo-Hub Solid Waste & Public Cleansing Management Corporation for WEGIS 	<ul style="list-style-type: none"> PT Pertamina Hulu Energi for eXplore Digital World PT Waskita Karya for infrastructure planning GIS solution
<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 Petrolam Nasional Bhd for PiriGIS 	<ul style="list-style-type: none"> Asia Pulp & Paper Sinar Mas for forest plantations management GIS solution PT Jababeka for JSMAART
<ul style="list-style-type: none"> JUPEM, 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

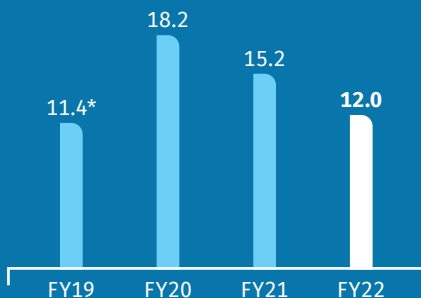
Healthcare

Performance Highlights

Division Revenue

S\$12.0 million

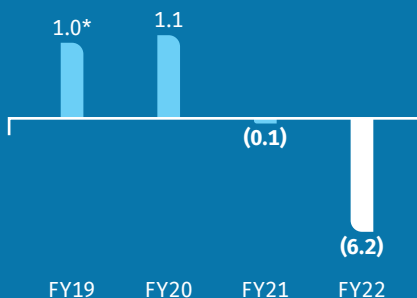
Year-on-year: ▼ 21%



► Lower revenue was due to the COVID-19 pandemic's continued impact, which delayed non-essential healthcare initiatives.

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

(S\$6.2 million)



► Higher loss before income tax was due to reduced revenue conversion.

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

** Excludes S\$0.4 million of annual amortisation adjustment by Group on acquisition from FY2019 to FY2021 and S\$0.1 million of remaining adjustment in FY2022 respectively.

*** Includes S\$1.1 million, S\$2.0 million, S\$1.5 million and S\$0.7 million after-tax share of contribution from associate, Beijing Pukang from FY2019 to FY2022 respectively.

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 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
- Rehabilitative care
- Sports science

Geographic Markets

5 COUNTRIES AND TERRITORIES

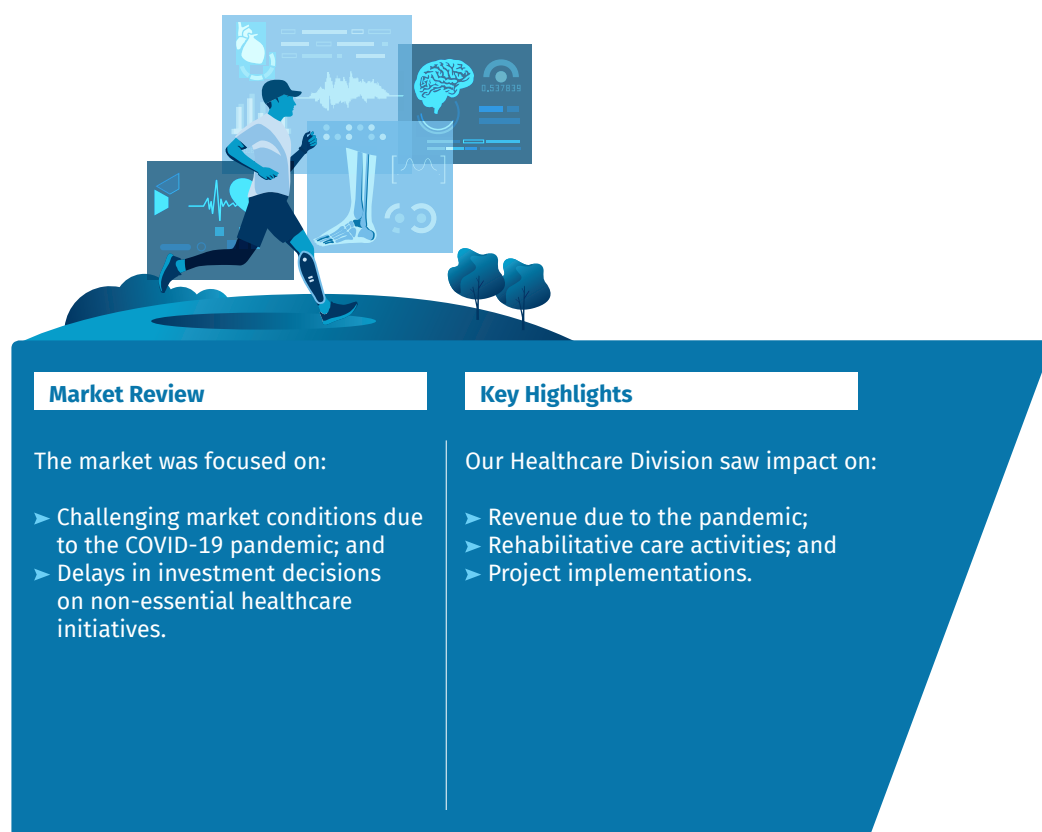
- China
- Hong Kong
- Malaysia
- Singapore
- Thailand





Development of sports science equipment, China.

Healthcare



Market Review

The market was focused on:

- Challenging market conditions due to the COVID-19 pandemic; and
- Delays in investment decisions on non-essential healthcare initiatives.

Key Highlights

Our Healthcare Division saw impact on:

- Revenue due to the pandemic;
- Rehabilitative care activities; and
- Project implementations.

Our Healthcare Division under BMEC Holdings comprises 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.

With the ongoing pandemic, the division continued to see weaker demand for rehabilitative care solutions in FY2022. This was consistent across the region including in the division's best performing geographic market of China, as most healthcare institutions continued to prioritise their focus on addressing the needs of the pandemic, delaying all non-essential healthcare initiatives. As a result, division revenue was 21% lower year-on-year at S\$12.0 million.

Division loss before income tax was S\$6.2 million, significantly impacted by reduced revenue conversion. After adjusting for S\$0.1 million of remaining annual amortisation adjustment by the Boustead Group, the division loss would have been S\$6.1 million. This loss was partially mitigated by Beijing Pukang's delivery of S\$0.7 million in after-tax share of contribution.

BMEC continues to remain the leading supplier of rehabilitative care and sports science technology in the markets that we operate in. However,

several challenges arising from the pandemic continued to deeply impact the demand for and implementation of BMEC's solutions and projects in FY2022. Unlike essential medical services, demand for rehabilitative care is elective in nature. As such, the number of outpatient rehabilitative treatments has been significantly lower than pre-pandemic levels, leading to lower demand for rehabilitative care technology. Existing and new rehabilitative care projects that require physical infrastructure were also delayed due to the shortage of labour and construction materials arising from the pandemic.

BMEC's progress in offering bundled services to hospitals was hindered by COVID-19 safety measures, which restricted entries into healthcare facilities. Nonetheless, BMEC was able to garner interest in bundled services through virtual client engagements and expects to see greater progress in FY2023, especially with the easing of COVID-19 safety measures that allow greater in-person presentations, demonstrations and trials.



1. Improving mobility with SMARTfit ProTrainer.

During FY2022, BMEC made some progress in the introduction of functional assessment service centres, a value-add service that addresses clients' needs for outcome measurements of rehabilitative care in healthcare institutions, cross-departmental requirements and resource contracts. Potential clients continue to be highly interested and have been moving forward with scoping project requirements. As such, BMEC expects that the launch of the first functional assessment service centre may take place in FY2023.

Geographically, the effects of the pandemic have similarly impacted BMEC's performances in all of the markets for sports science, except in Thailand where there was a sustained level of sports science business activities due to projects brought over from the past two years. These projects were largely to support the preparation of Thai athletes for international sporting competitions.

Despite the challenging period, BMEC stepped up on the setting up of healthcare simulation centres, built upon

a manufacturer-agnostic healthcare simulation platform with a widespread presence. In a move to be more than just a supplier of training manikins and software to medical and nursing training institutions, BMEC has begun to secure healthcare simulation centre projects in Singapore and Thailand, namely with Singapore's Institute of Mental Health and Thailand's Srinakharinwirot University's Faculty of Nursing and Royal Thai Navy College of Nursing. BMEC's success in securing these projects will pave the way for more of such simulation centres to be set up in the future, particularly in Singapore and Malaysia, on top of creating greater opportunities for BMEC to supply training manikins, software and support services.

In China, Beijing Pukang also felt the impact of the pandemic on rehabilitative care solutions. Despite these challenges, Beijing Pukang remained profitable and also managed to establish the Pukang Innovation & Research Centre, carrying out innovative research with multiple technology and software developers, hospitals and universities. During FY2022, following a successful campaign

to deliver sports science solutions to the Chinese Olympic Team in the run-up to the Tokyo 2020 Summer Olympics held in July 2021, Beijing Pukang continued to support the team in the run-up to the Beijing 2022 Winter Olympics, where they delivered their most outstanding performance at the winter games.

Moving forward in FY2023, with the pandemic situation easing and as international travel resumes, the division looks forward to meeting delayed demand for solutions, which has been held back since the onset of the pandemic. With key geographic markets in the region emerging from the pandemic, the division intends to tap on the market potential in Malaysia and Thailand through our rehabilitative care and sports science businesses. Together with the move to rationalise the Healthcare Division through a change in BMEC's senior leadership and the sale of the loss-making sleep care business just after the close of FY2022, the expected improvements in market conditions should allow the Healthcare Division to deliver a better performance in the future.

Quality, Safety & Sustainability Awards

Awarded by:			
BCA			
	Construction Excellence, Quality & Productivity Awards	Green Mark Platinum & Super Low Energy	Green Mark Gold Plus & Gold
Total	9 awards	14 awards	15 awards
2022			
2021	<ul style="list-style-type: none"> • BPL: International Partnership Award • BP E&C: Integrated Digital Delivery – Projects (Gold) for JTC Kranji Green 	<ul style="list-style-type: none"> • JTC Kranji Green 	<ul style="list-style-type: none"> • Wilmar International HQ (Gold Plus)
2020		<ul style="list-style-type: none"> • DB Schenker Red Lion 	<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

BP E&C: Boustead Projects E&C
BPL: Boustead Projects
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:	
WSHC	Others
bizSAFE, Safety & SHARP Awards	ESG, Investor & Quality Awards
25 awards	30 awards
	<ul style="list-style-type: none"> BSL: Asia Pacific's High-Growth Companies 2022 – FT BSL: Singapore's Fastest Growing Companies 2022 – ST and Statista
	<ul style="list-style-type: none"> BSL and BPL: Corporate Excellence & Resilience Award – SCA SE 2021 BPL: Tripartite Alliance Award Finalist – TAA 2021 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 Wilmar International HQ (Commercial Projects Merit Award) – SIA ADA 2021 Wilmar International HQ (Best Office Development Silver) – MIPIM Asia Awards 2021
<ul style="list-style-type: none"> ASM Front-End Manufacturing Wilmar International HQ 	<ul style="list-style-type: none"> BSL: Singapore's Best Employers 2020 – ST and Statista DB Schenker Red Lion (LEED Gold)
<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 and BPL FY2018 Longevity Reports: 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"> BSL: Certificate for Excellence and Nomination for Best IR in Singapore – IRM AC SEA Loh Kai Keong: Best CFO, Mid Cap Category – SCA Kuehne+Nagel Singapore Logistics Hub (LEED Gold)
<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 (LEED Gold) Bolloré Green Hub (LEED Gold) / 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 SE: Singapore Corporate Awards (Special Edition)
 SHARP: Safety & Health Award Recognition for Projects
 SIA ADA: Singapore Institute of Architects Architectural Design Awards
 SIAS ICA: Securities Investors Association (Singapore) Investors' Choice Awards

ST: The Straits Times
 TAA: Tripartite Alliance Award
 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: 78

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 starting up and privatisation of national carrier, Myanmar Airways International, from 1993 to 1998. In 2009, he was appointed by Singapore's Ministry of Finance to sit on the Economic Strategies Committee and as Co-Chairman of the Land Sub-Committee. He also sat on the National University of Singapore Board of Trustees from 2016 to 2018.



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: 47

Appointed: 2 April 2013

Last re-elected: 28 July 2021

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 experience in mergers and acquisitions, and corporate and financial advisory, 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, England, UK

Age: 64

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 who is currently the 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 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. He is also a member of the Resource Panels of the Government Parliamentary Committees for Defence & Foreign Affairs, Finance and Trade & Industry, and Transport, a role which he has held 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 the Nanyang Technological University.

Committee membership

AR Audit & Risk Committee

N Nominating Committee

R Remuneration Committee

● Denotes Chairman of Committee



Godfrey Ernest Scotchbrook

Non-Independent Non-Executive Director

N **AR**

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

Age: 76

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 and subsequently redesignated as Non-Independent Non-Executive Director in 2022. 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 Non-Executive Director of Convenience Retail Asia Ltd and Independent Non-Executive Director of Del Monte Food Inc, Del Monte Pacific Ltd and Del Monte Philippines Inc. He is a Fellow of the British Chartered Institute of Public Relations and Hong Kong Management Association.

Previous appointments:

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



Mak Lye Mun

Independent Non-Executive Director

R **AR**

- > Bachelor of Civil Engineering (1st Class Hons), University of Malaya
- > Master of Business Administration, University of Texas at Austin

Age: 64

Appointed: 29 July 2021

Key areas of experience:

Mr Mak Lye Mun was appointed as our Independent Non-Executive Director in 2021. With over 30 years of extensive mergers and acquisitions, financial advisory and investment banking experience, he is a well-known finance sector veteran who serves on the boards of several listed corporations.

Current external appointments:

Mr Mak is currently Independent Non-Executive Chairman of Intraco Ltd and Independent Non-Executive Director of SC Global Developments Pte Ltd and its ASX-listed subsidiary, AVJennings Ltd. He is also Governing Board Member of Duke-NUS Medical School and a Member of both the inaugural SGX Listings Advisory Committee and ADDX (ICHX) Tech Listing Committee.

Previous appointments:

Mr Mak retired as Chief Executive Officer of CIMB Bank Singapore in 2019, following which he served as Advisor to the Chief Executive Officer of CIMB Group Holdings Bhd until 2021. He also held several senior management positions at DBS Bank Ltd, Vickers Ballas & Co Pte Ltd, Ernst & Young LLP, Oversea-Chinese Banking Corporation Ltd and Citicorp Investment Bank (Singapore) Ltd. He was also previously Independent Non-Executive Chairman of Hwa Hong Corporation Ltd and Independent Non-Executive Director of Boardroom Ltd and Tat Hong Holdings Ltd.



Liak Teng Lit

Independent Non-Executive Director

AR **R**

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

Age: 69

Appointed: 1 April 2020

Last re-elected: 28 July 2021

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 sector 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 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 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**Group Chief Investment Officer**

Boustead Singapore Limited, 2003

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

Boustead Singapore Limited, 2008

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

Boustead Singapore Limited, 2021

Energy Engineering

Downstream Energy**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 Energy**Prasun Chakraborty****Managing Director**

Controls & Electrics Pte Ltd, 1991

Vijayalakshmi Rajendran Meenakshi**Sundaram****Head of Engineering**

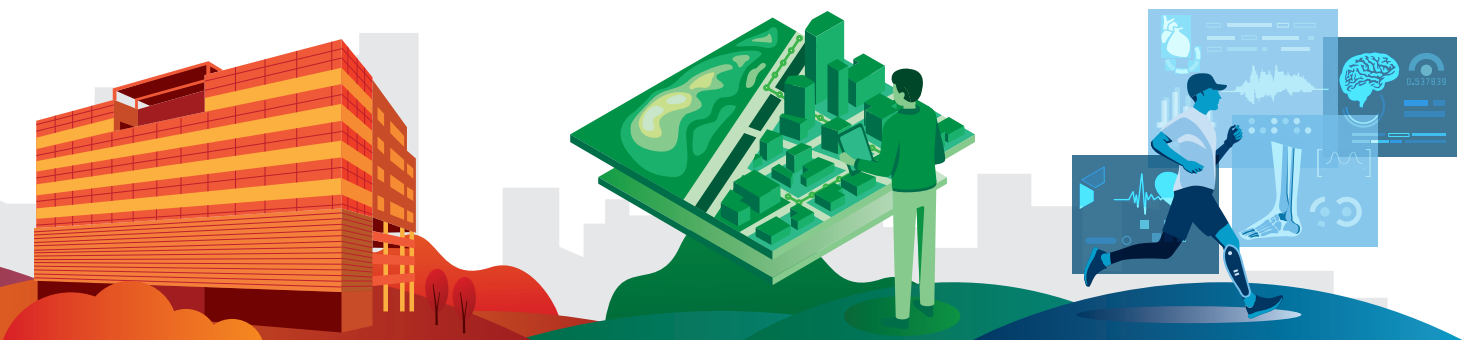
Controls & Electrics Pte Ltd, 1992

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

Wong Yu Wei
Executive Deputy Chairman
Boustead Projects Limited, 2009

Thomas Chu
Managing Director
Boustead Projects Limited, 1997

Lee Keen Meng
Chief Financial Officer
Boustead Projects Limited, 2009

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

Steven Koh
Senior 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

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

Ho Tai Wing
Director (Business Development & Investment)
Boustead Industrial Fund Management Pte Ltd, 2018

Geospatial

Esri Australia

Brett Bundock
Managing Director
Esri Australia Pty Ltd, 1988

Kaylee Holdsworth
Chief Financial Officer
Esri Australia Pty Ltd, 2006

Peter Swensson
Chief Delivery Officer
Esri Australia Pty Ltd, 2021

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 South Asia

Leslie Wong
Managing Director
Esri South Asia Pte Ltd, 2006

Esri Singapore

Joe Lee
Chief Executive Officer
Esri Singapore Pte Ltd, 2021

Esri Malaysia

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

Esri Indonesia

Christanto Yanuar
Country Manager
PT Esri Indonesia, 2020

Healthcare

Don Quah
Acting Chief Executive Officer
BMEC Pte Ltd, 2013

Ang Eng Joo
Chief Technology Officer
BMEC Pte Ltd, 1988

Jason Jia
Chief Executive Officer
Beijing Pukang Sport & Medical Co Ltd, 1996

Stakeholder Relations

Summary of FY2022 Investor Relations Activities

18

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

FY2021: 38

79

investors met

FY2021: 49

2

investor conferences/events
attended

FY2021: 1

1

research firm providing
coverage:

► CGS-CIMB Securities

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, helping to build strong and lasting relationships with these stakeholders.

In FY2022, we shared on our business strategies and financial performance at investor conferences, meetings and presentations – many on virtual platforms due to the COVID-19 pandemic. Throughout the year, we also actively engaged with institutional and retail investors at investor conferences, such as the Smartkarma Corporate Webinar and SGX & Goldman Sachs Singapore Corporate Day 2022.

During the year, CGS-CIMB Securities continued comprehensive rated research coverage on both Boustead and Boustead Projects.

The launch of our inaugural Longevity Report in 2018 has added yet another avenue of stakeholder communications, as we continue to share about our contributions towards environmental, social and governance ("ESG") goals. Released in August 2021, our Boustead FY2021 Longevity Report presents 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.

All of our annual reports, longevity reports, company announcements and financial results announcements issued

in 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 publications for five successive years, with both sets of reports being either Platinum or Gold Winners at the world-renowned Hermes Creative Awards since 2017. Our Boustead and Boustead Projects Longevity Reports have also been recognised by leading sustainability experts.

In addition, we continue to be recognised by other stakeholder groups for our corporate excellence, and strong ESG and financial performance. Both Boustead and Boustead Projects received the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 Special Edition, recognising exemplary listed corporations that have upheld best practices in corporate governance and shown leadership, innovation and resilience during the pandemic.

In FY2022, Boustead was also ranked among Singapore's Fastest Growing Companies, a list of 75 corporations compiled by *The Straits Times* and global research firm Statista. Boustead also ranked as a growth champion in the Asia-Pacific's High-Growth Companies, a list of 500 corporations compiled by the *Financial Times* and Statista.

On the talent management front, we were named among Singapore's Best Employers for the second successive year in 2021. We ranked 40th overall and 1st under the category of Business Services & Supplies (including Real Estate), in this employee survey conducted by *The Straits Times* and Statista that was based on over 200,000 evaluations across about 1,700 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.



Credits: Singapore Corporate Awards

1. Executive Director & Deputy Group Chief Executive Officer Mr Wong Yu Loon receiving the Corporate Excellence & Resilience Award from Second Minister for Finance Ms Indraneel Rajah.

Delivering Value to Shareholders

4.0¢*

dividends per share for
FY2022

68.6¢**

total shareholder return per
share over past decade

S\$477.4m

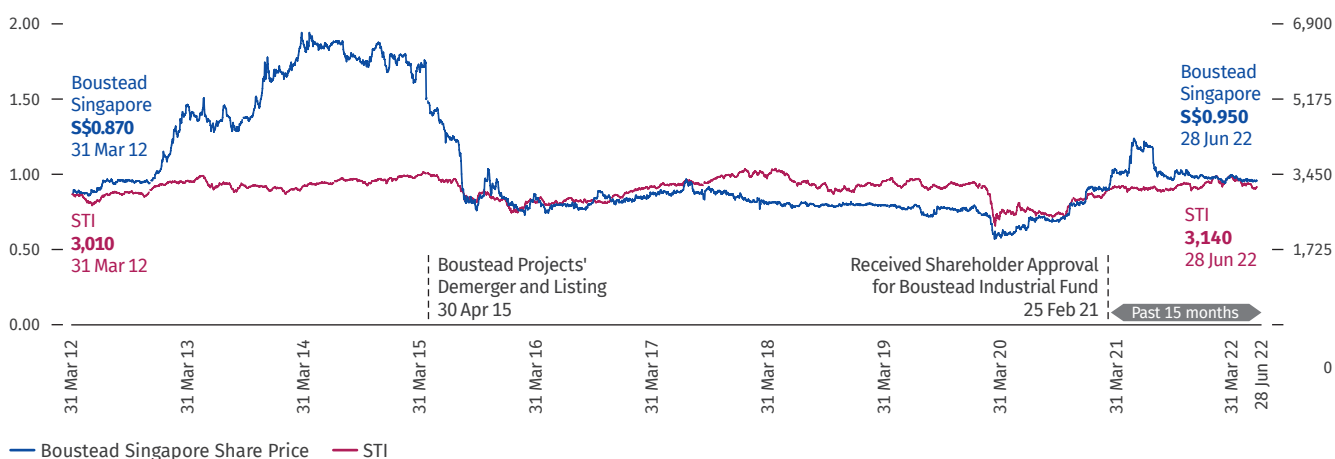
market capitalisation at end
of FY2022

S\$40.6m

worth of net share buybacks
conducted over past decade

Share Performance and STI Commentary

Opening FY2022 at S\$1.010, Boustead's share price decreased by approximately 6% over the past 15 months, touching a high of S\$1.270 on 7 June 2021 and low of S\$0.920 on 16 March 2022, and closing at S\$0.950 on 28 June 2022.

Boustead Share Price
(S\$)STI
(Points)

FY2022 Investor 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 and special dividend of 4 cents per share FY2021 Longevity Report
Nov 2021	<ul style="list-style-type: none"> 1H FY2022 financial results announcement
Dec 2021	<ul style="list-style-type: none"> FY2022 interim dividend of 1.5 cents per share Smartkarma Corporate Webinar: Boustead
Mar 2022	<ul style="list-style-type: none"> SGX & Goldman Sachs Singapore Corporate Day 2022
May 2022	<ul style="list-style-type: none"> FY2022 financial results announcement

FY2023 Investor Calendar***

Date	Activity/Event
Jul 2022	<ul style="list-style-type: none"> FY2022 Annual Report Annual General Meeting
Aug 2022	<ul style="list-style-type: none"> FY2022 final dividend of 2.5 cents per share (proposed) FY2022 Longevity Report
Nov 2022	<ul style="list-style-type: none"> 1H FY2023 financial results announcement
May 2023	<ul style="list-style-type: none"> FY2023 financial results announcement

* Includes proposed final dividend of 2.5 cents per share for FY2022.

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

*** 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 Khee Giap

Independent Non-Executive Director

Godfrey Ernest Scotchbrook

Non-Independent Non-Executive
Director

Mak Lye Mun

Independent Non-Executive Director

Liak Teng Lit

Independent Non-Executive Director

Audit & Risk Committee

Dr Tan Khee Giap

Chairman

Godfrey Ernest Scotchbrook
Liak Teng Lit
Mak Lye Mun

Nominating Committee

Godfrey Ernest Scotchbrook

Chairman

Dr Tan Khee Giap
Wong Fong Fui

Remuneration Committee

Mak Lye Mun

Chairman

Dr Tan Khee Giap
Liak Teng Lit

Share Registrar

**Boardroom Corporate &
Advisory Services Pte Ltd**

1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

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**

Place of Incorporation

Singapore

Date of Incorporation

18 June 1975

Company Secretary

Alvin Kok

Company Registration

197501036K

Registered Office

Boustead Singapore Limited

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

Stock Exchange Listing

Singapore Exchange Securities
Trading Ltd

Financial Statements

Contents

Directors' Statement	70
Corporate Governance	74
Independent Auditor's Report	105
Consolidated Income Statement	109
Consolidated Statement of Comprehensive Income	110
Statements of Financial Position – Group and Company	111
Consolidated Statement of Changes in Equity	112
Consolidated Statement of Cash Flows	113
Notes to the Financial Statements	116
Management & Principal Activities	217
Statistics of Shareholdings	221
Notice of Annual General Meeting	223
Proxy Form	231

Directors' Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 2022 and the statement of financial position of the Company as at 31 March 2022.

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 2022 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
Godfrey Ernest Scotchbrook
Mak Lye Mun (appointed on 29 July 2021)
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 2022

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 31.3.2022	At 1.4.2021	At 31.3.2022	At 1.4.2021
The Company – Boustead Singapore Limited				
<u>(No. of ordinary shares)</u>				
Wong Fong Fui	-	-	205,798,032	205,798,032
Godfrey Ernest Scotchbrook	-	-	1,052,783	1,052,783
Subsidiary Company – Boustead Projects Limited				
<u>(No. of ordinary shares)</u>				
Wong Fong Fui	-	-	229,469,703	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.

As at 21 April 2022, Mr Wong Fong Fui was deemed to have an interest in 229,493,803 ordinary shares of Boustead Projects Limited. Except as disclosed, the directors' interests in the ordinary shares of the Company as at 21 April 2022 were the same as those as at 31 March 2022.

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 2022

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 32 to the financial statements.
- (d) The members of the committee administering the 2011 Share Plan are:

Mak Lye Mun (Chairman) (appointed on 29 July 2021)
Dr Tan Khee Giap
Liak Teng Lit (appointed on 29 July 2021)

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 financial 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 2022

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)
 Godfrey Ernest Scotchbrook
 Liak Teng Lit
 Mak Lye Mun (appointed on 29 July 2021)

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

30 June 2022

Corporate Governance

The Board of Directors of Boustead Singapore Limited (“Company” and the Board of Directors of the Company to be known as, the “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.

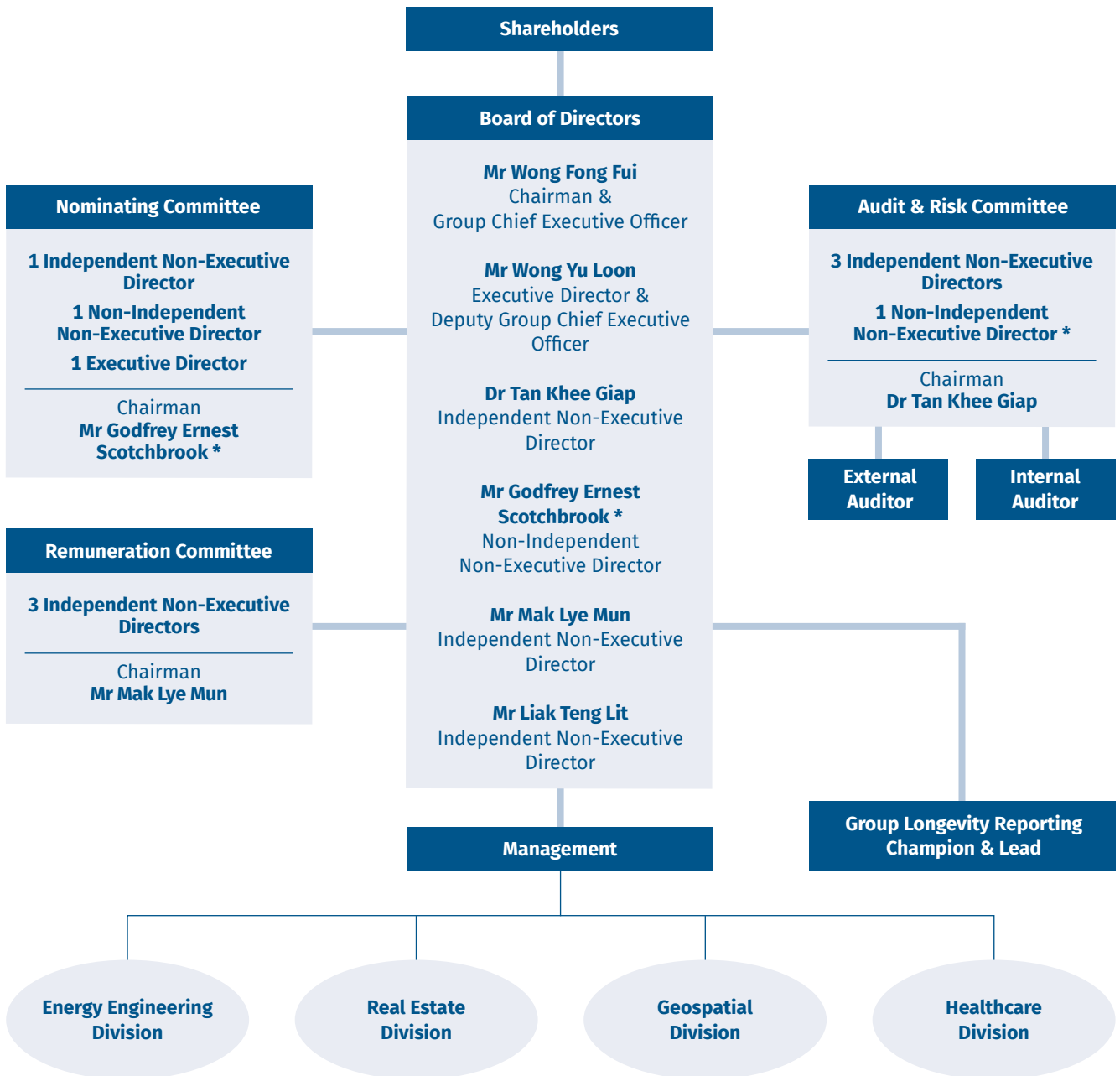
The Board is pleased to present this Corporate Governance Report (“Report”) which outlines the Company’s corporate governance practices for the financial year ended 31 March 2022 (“FY2022”) with specific reference made to the principles and provisions of the Code and accompanying Practice Guidance issued 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 FY2022. 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 of the Code.

Corporate Governance

GOVERNANCE FRAMEWORK

The Company's governance structure is as follows:



* Mr Godfrey Ernest Scotchbrook was an Independent Non-Executive Director until he was redesignated as a Non-Independent Non-Executive Director on 1 January 2022 due to the fact that he had served for more than 9 years on the Board of the Company as of that date. Mr Scotchbrook will be standing for re-election as an Independent Director under the "two tier" voting system pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST at the Annual General Meeting of Company to be held on 28 July 2022.

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:

- approving the corporate strategies and policies of the Group;
- approving the Group's annual operating and capital budgets;
- monitoring financial performance, including approval for the release of financial results announcements;
- approving the annual report and financial statements;
- convening shareholders' meetings;
- recommending dividend payments and other distributions to shareholders;
- overseeing the business affairs of the Company and monitoring the on-going performance of Management;
- approving 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;
- setting the Group's approach on corporate governance and sustainability issues, such as economic, environmental and social issues, as part of its strategic formulation; and
- approving the Group's risk appetite and establishing and overseeing the processes of evaluating the adequacy of internal controls, risk management and financial reporting.

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.

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 conflicts 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. For the financial year commencing 1 January 2022, all directors are to undergo a one-time training on sustainability matters as prescribed by the SGX-ST. Arrangements will be made for directors to attend training courses funded by the Company.

As at 31 March 2022, 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, two of the four non-executive directors on the Board have been directors of the Company for at least four 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.

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 FY2022 is set out in the following sections:

- a) in respect of the Nominating Committee – sections on Principle 4 under “Board Membership” and Principle 5 under “Board Performance”;
- b) in respect of the Remuneration Committee – sections on Principle 6 under “Procedures for Developing Remuneration Policies” and Principle 7 under “Level and Mix of Remuneration”; and
- c) in respect of the Audit & Risk Committee – sections on Principle 9 under “Risk Management and Internal Controls” and Principle 10 under “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 Board or Board Committee members in advance prior to each meeting to allow the Board sufficient time to familiarise themselves with the matters prior to the Board meetings. Management and senior executives who can provide additional insights into the matters to be discussed are also invited to attend the Board meetings so as to be at hand to address any questions that the Board may have.

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.

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.

Corporate Governance

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 FY2022, a total of two scheduled Board meetings, two scheduled Audit & Risk Committee meetings, one scheduled Nominating Committee meeting and two scheduled Remuneration Committees 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 FY2022 was as follows:

Name of Director	Board		Audit & Risk Committee		Nominating Committee		Remuneration Committee	
	No. Held ⁽¹⁾	No. Attended	No. Held ⁽¹⁾	No. Attended	No. Held ⁽¹⁾	No. Attended	No. Held ⁽¹⁾	No. Attended
Wong Fong Fui	2	2	-	-	1	1	-	-
Wong Yu Loon	2	2	-	-	-	-	-	-
Dr Tan Khee Giap	2	2	2	2	1	1	2	2
Godfrey Ernest Scotchbrook ⁽²⁾	2	2	2	2	1	1	1	1
Mak Lye Mun ⁽³⁾	1	1	1	1	-	-	1	1
Liak Teng Lit ⁽⁴⁾	2	2	2	2	-	-	1	1
Chong Ngien Cheong ⁽⁵⁾	1	1	1	1	-	-	1	1

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

⁽²⁾ Mr Godfrey Ernest Scotchbrook was appointed Chairman of the Nominating Committee and ceased to be the Chairman or member of the Remuneration Committee on 29 July 2021.

⁽³⁾ Mr Mak Lye Mun was appointed as a director of the Company, Chairman of the Remuneration Committee and member of the Audit & Risk Committee on 29 July 2021.

⁽⁴⁾ Mr Liak Teng Lit was appointed as a member of the Remuneration Committee on 29 July 2021.

⁽⁵⁾ Mr Chong Ngien Cheong retired as a director of the Company and ceased to be Chairman of the Nominating Committee, member of the Audit & Risk Committee and member of the Remuneration Committee after the conclusion of the last Annual General Meeting held on 28 July 2021.

Access to Information

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

The Management regularly provides the Board 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 set out above in the section "Board Meetings", Board papers and related materials (including, where appropriate, relevant background or explanatory information, financial analysis and/or external reports) are 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. The directors also have separate and independent access to Management as well as the company secretary.

Management and senior executives who can provide additional insights into the matters to be discussed 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 attended to expeditiously by Management.

Where the directors require independent professional advice to facilitate the discharge of their duties and responsibilities, Management will facilitate the appointment of such professional advisor to render advice to the Board. 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. For this purpose, the Board is assisted by its 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 socio-economic value and progress to key stakeholders, while being well-supported by sound risk management. In determining the Company's risk appetite, the Board 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. The FY2022 report will be available on the Company's website by 31 August 2022. 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 Khee Giap	Independent Non-Executive Director
Godfrey Ernest Scotchbrook	Non-Independent Non-Executive Director
Mak Lye Mun	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, three of whom are independent non-executive directors. There is a strong and independent element on the Board with independent non-executive directors comprising half 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 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

Corporate Governance

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.

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 Mr Scotchbrook and is satisfied that he is independent in character and judgment, and found no evidence to indicate that the length of his service has in any way affected his independence. Given his wealth of business, working experience and professionalism in carrying out his duties, the Nominating Committee has found Mr Scotchbrook suitable to act as an independent director. The Board has accepted the Nominating Committee's recommendation that Mr Scotchbrook be considered independent (Mr Scotchbrook has abstained from deliberating on his respective independence).

Mr Godfrey Ernest Scotchbrook was an independent director up until 1 January 2022, when he was redesignated as a Non-Independent Non-Executive Director due to the fact that he had served for more than 9 years on the Board of the Company as of that date. Notwithstanding this, the Board continues to regard Mr Scotchbrook as independent in line with Provision 4.4 of the Code, having ascertained that there are no relationships or business relationships which Mr Scotchbrook, his immediate family member, or an organisation in which Mr Scotchbrook or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director has with the Company or any of its related corporations.

The Board views Mr Godfrey Ernest Scotchbrook's current redesignation as temporary in nature which will be addressed when he stands for re-election as an Independent Director under the "two tier" voting system pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST at the Annual General Meeting of Company to be held on 28 July 2022.

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.

Commencing 1 January 2022, the Company is required to maintain a Board Diversity Policy ("BDP") as mandated by SGX-ST and is in the process of formulating its BDP and will endeavour to implement the policy in FY2023. Notwithstanding that the Board is still in the process of adopting a written BDP, the Board recognises the importance of having a diverse Board, in particular, the Board ensures that the collective skills and experiences of the Board as a whole are aligned with the current and future strategic needs of the Company. As at the date of this Report, the Board consist of members with skills and experience in finance, engineering, healthcare and corporate communications. Though the Board consists of members with diverse and relevant attributes, the Company has yet to appoint a female board member. Gender diversity will be one of the criteria under consideration when a vacancy on the Board is to be filled in the future. The final decision on selection of directors will be based on merits against the objective criteria set, after giving due regard for the benefit of diversity.

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 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.

Corporate Governance

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 in the coming financial year.

Non-Executive Directors

The non-executive directors of the Company, three of whom 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 FY2022, 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 has been made up of independent directors up until 1 January 2022, when Mr Godfrey Ernest Scotchbrook was redesignated as a Non-Independent Non-Executive Director due to the fact that he had served for more than 9 years on the Board of the Company as of that date.

Although the current status is not in strict compliance with Provision 2.2 of the Code which provides that independent directors make up a majority of the Board where the Chairman is not independent, the Board is of the view that this is temporary in nature and the Board continues to regard Mr Scotchbrook as independent in character and judgment. This matter will be addressed when Mr Scotchbrook stands for re-election as an Independent Director under the “two tier” voting system pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST at the Annual General Meeting of Company to be held on 28 July 2022.

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, one of whom at present is independent.

As at the date of this Report, the members of the Nominating Committee are:

1. Godfrey Ernest Scotchbrook (Non-Independent Non-Executive Director)
2. Dr Tan Khee Giap (Independent Non-Executive Director)
3. Wong Fong Fui

Corporate Governance

The Chairman of the Nominating Committee, Mr Godfrey Ernest Scotchbrook, was an independent director up until 1 January 2022, when he was redesignated as a Non-Independent Non-Executive Director due to the fact that he had served for more than 9 years on the Board of the Company as of that date. Notwithstanding this, the Board continues to regard Mr Scotchbrook as independent and views his current redesignation as temporary in nature which will be addressed when he stands for re-election as an Independent Director under the “two tier” voting system pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST at the Annual General Meeting of Company to be held on 28 July 2022.

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;
- (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 FY2022, 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.

Corporate Governance

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 98 of the Company's Constitution, any director appointed by the Board shall hold office only until the next following annual general meeting and shall then be eligible for re-election. Accordingly, Mr Mak Lye Mun, who was appointed as a director on 29 July 2021, shall be retiring at the AGM to be held on 28 July 2022 (the "2022 AGM"). At the recommendation of the Nominating Committee, Mr Mak Lye Mun will be seeking re-election at the 2022 AGM. If re-elected, Mr Mak Lye Mun will remain as the Chairman of the Remuneration Committee and a member of the Audit & Risk Committee.

Pursuant to Article 94 of the Company's Constitution, Dr Tan Khee Giap and Mr Godfrey Ernest Scotchbrook will be seeking re-election at the 2022 AGM. If re-elected, Dr Tan Khee Giap will remain as Chairman of the Audit & Risk Committee and member of the Nominating Committee and Remuneration Committee, and Mr Godfrey Ernest Scotchbrook will remain as Chairman of the Nominating Committee and member of the Audit & Risk Committee.

The Nominating Committee has considered the performance and contribution of Mr Mak Lye Mun, Dr Tan Khee Giap and Mr Godfrey Ernest Scotchbrook and recommended to the Board their re-election as directors at the 2022 AGM. The Board has concurred with the Nominating Committee to recommend their re-election as directors at the 2022 AGM.

Please see the relevant details of Mr Mak Lye Mun, Dr Tan Khee Giap and Mr Godfrey Ernest Scotchbrook, each of whom is standing for re-election as a director at the 2022 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.

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 to 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 Khee Giap, Mr Godfrey Ernest Scotchbrook, Mr Mak Lye Mun and Mr Liak Teng Lit, who collectively comprise a majority of the Board.

Mr Godfrey Ernest Scotchbrook was an independent director up until 1 January 2022, when he was redesignated as a Non-Independent Non-Executive Director due to the fact that he had served for more than 9 years on the Board of the Company as of that date. Notwithstanding this, the Board continues to regard Mr Scotchbrook as independent in line with Provision 4.4 of the Code, having ascertained that there are no relationships or business relationships which Mr Scotchbrook, his immediate family member, or an organisation in which Mr Scotchbrook or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director has with the Company or any of its related corporations.

The Board views Mr Godfrey Ernest Scotchbrook's current redesignation as temporary in nature which will be addressed when he stands for re-election as an Independent Director under the "two tier" voting system pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST at the Annual General Meeting of Company to be held on 28 July 2022.

Corporate Governance

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 FY2022.

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	28 July 2021	-	-
Dr Tan Khee Giap	Independent Non-Executive Director	28 June 2018	25 August 2020	Amcorp Global Limited Lian Beng Group Ltd	BreadTalk Group Limited
Godfrey Ernest Scotchbrook	Non-Independent Non-Executive Director	21 September 2000	25 August 2020	Convenience Retail Asia Ltd Del Monte Pacific Limited	-
Mak Lye Mun	Independent Non-Executive Director	29 July 2021	-	Intraco Ltd AVJennings Ltd	Hwa Hong Corporation Ltd Boardroom Limited
Liak Teng Lit	Independent Non-Executive Director	1 April 2020	28 July 2021	-	-

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 2022 for information on other principal commitments of the directors.

Corporate Governance

The Nominating Committee is of the view that, during FY2022, 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 FY2022.

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. It also helps the Nominating Committee in determining (i) whether to re-nominate directors who are due for retirement at the next AGM, (ii) whether any replacement of existing directors or appointment of new directors is required, and (iii) whether directors with multiple board representatives are able to discharge, and have adequately discharged, their duties as directors of the Company.

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 FY2022. 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 FY2022. 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. Mak Lye Mun, Chairman (Independent Non-Executive Director)
2. Dr Tan Khue Giap (Independent Non-Executive Director)
3. Liak Teng Lit (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 implemented and administered the Boustead Restricted Share Plan 2011 ("2011 Share Plan") until its expiry on 13 October 2021 (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, would 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 FY2022 but has had the benefit of relevant data from market surveys carried out by leading firms of compensation consultants.

During FY2022, 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 fixed fees. The directors' fees payable to the non-executive directors are based on a basic fee for serving as director and additional fees for serving on Board Committees. When reviewing the structure and level of directors' fees for the non-executive directors, the Remuneration Committee takes into consideration the respective roles and responsibilities undertaken in the Board and its Board Committees and the frequency of Board and Board Committee meetings. The Chairman of each Board Committee is paid a higher fee compared with the member of the respective committees in view of the greater responsibility and commitment required by that office. The payment of fees to non-executive directors is subject to the approval of the shareholders of the Company at each AGM.

Apart from the fixed fees described above, the non-executive directors were also eligible to participate in the 2011 Share Plan. The Board believes that allowing non-executive directors to participate in the 2011 Share Plan would 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, which expired on 13 October 2021, is set out in the section "Boustead Restricted Share Plan 2011" below.

In FY2022, 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

Attendance Fee is fixed at S\$2,000 per board or board committee meeting, capped at S\$12,000 per year.

Information on the directors' fees of non-executive directors for FY2022 is set out in the section "Remuneration of Non-Executive Directors for FY2022" 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 was a long-term incentive in the form of share awards that can be granted under the 2011 Share Plan, which expired on 13 October 2021. This long-term incentive was applicable only to selected employees whose role and services had 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 FY2022. 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 FY2022 is set out in the section "Remuneration of Executive Directors and Key Management Personnel for FY2022" 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 FY2022

The aggregate directors' fees paid to the non-executive directors for FY2022 amounted to approximately S\$276,000, details of which are set out below:

Name of Director	Directors' Fee S\$'000	Total S\$'000
Dr Tan Khee Giap	82	82
Godfrey Ernest Scotchbrook	67	67
Liak Teng Lit	58	58
Mak Lye Mun ⁽¹⁾	43	43
Chong Ngien Cheong ⁽²⁾	26	26

⁽¹⁾ Mr Mak Lye Mun was appointed as a director of the Company on 29 July 2021.

⁽²⁾ Mr Chong Ngien Cheong retired as a director of the Company on 28 July 2021.

The payment of directors' fees of up to S\$278,000 for FY2022 was approved by shareholders as a lumpsum at the AGM held on 28 July 2021.

Corporate Governance

Remuneration of Executive Directors and Key Management Personnel for FY2022

The remuneration of the key management personnel, including the executive directors, for FY2022 in bands of S\$250,000 are set out below:

Name	Salary	Bonus	Fees	Other Benefits	Total
<u>Executive Directors</u>					
S\$1,750,000 to S\$1,999,999					
Wong Fong Fui	16%	82%	-	2%	100%
S\$250,000 to S\$499,999					
Wong Yu Loon	66%	27%	-	7%	100%
<u>Key Management Personnel</u>					
S\$1,000,000 to S\$1,249,999					
Thomas Chu Kok Hong	42%	14%	-	44%	100%
Brett John Bundock	47%	49%	-	4%	100%
S\$750,000 to S\$999,999					
Wong Yu Wei	35%	13%	-	52%	100%
Stuart Cummings	30%	65%	-	5%	100%
S\$250,000 to S\$499,999					
Leslie Wong Kin Wah	53%	37%	-	10%	100%

The total remuneration paid to the above five key management personnel, other than the executive directors, for FY2022 was approximately S\$4,478,000.

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 FY2022 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 FY2022 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 and expired on 13 October 2021. 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 were invited to participate in the 2011 Share Plan. The selection of eligible participants in the 2011 Share Plan was 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 would have to be approved by independent members of the Company. Further information on the 2011 Share Plan can be found on pages 72 and 190 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 2022.

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 2022, 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 2022, 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, three 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. Godfrey Ernest Scotchbrook (Non-Independent Non-Executive Director)
- 3. Liak Teng Lit (Independent Non-Executive Director)
- 4. Mak Lye Mun (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 risk management system and 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) reviewing the assurance from the Group Chief Executive Officer and the Group Chief Financial Officer on the financial records and financial statements and the assurance from key management personnel regarding the adequacy and effectiveness of the risk management and internal control systems;
- (l) 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;
- (m) reviewing filings with the SGX-ST or other regulatory bodies which contain the Company's financial information and ensure proper disclosure;
- (n) 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;
- (o) 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;
- (p) 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;
- (q) reporting to the Board the work performed by the Audit & Risk Committee in carrying out its functions;
- (r) reviewing the co-operation given by officers to the external auditors; and
- (s) performing any other act as delegated by the Board and approved by the Audit & Risk Committee.

Corporate Governance

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 FY2022, 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 FY2022 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 FY2022 are set out below:

	S\$'000	% of Total Fees Paid
Audit fees	506	94
Non-audit fees	33	6
Total fees	539	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 FY2022 and discussed with Management and the external auditor the following key audit matter which involved management judgment:

Key audit matter	How the Audit & Risk Committee reviewed this matter and what decisions were made
Revenue recognition of Engineering & Construction contracts under Real Estate segment	<p>The Audit & Risk Committee reviewed the revenue recognition of Engineering & Construction contracts under 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 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 2022. 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. Measures in protecting the identity of the whistleblowers include preservation of confidentiality was provided in the Whistleblowing Policy. The Group is committed to ensure the protection of the whistleblower against detrimental or unfair treatment. 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.

During the year, the Group received a whistleblowing report alleging misconduct by a senior management personnel of an overseas subsidiary of the Group. An internal investigation was carried out in accordance with the Whistleblowing Policy. Following the investigation, the Company proceeded with the mutual termination of the employment of the said management personnel. The personnel who provided assistance for the investigation continue to be provided protection against reprisals under the Whistleblowing Policy.

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-year and full-year 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. 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 FY2022, the AGM of the Company held on 28 July 2021 was the only general meeting that was held, and all the directors of the Company attended the meeting (save for Mr Chong Ngien Cheong who was retiring as a director).

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, will be prepared by the company secretary and published on SGXNET and the Company's corporate website within one month after its general meetings. This is consistent with Provision 11.5 of the Code and 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 ("Order").

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 FY2022 by electronic means on 28 July 2022. 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 view of the Group's continued profitability derived from core businesses as well as a strong cash position, the Board has recommended a final tax exempt one-tier dividend of 2.5 Singapore cents per ordinary share for FY2022. The Company will be seeking the approval of shareholders at the forthcoming AGM to be held for the declaration of the said proposed dividend.

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 FY2022, 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 FY2022 Longevity Report (Sustainability Report), which will be available on the Company's website by 31 August 2022.

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.

The Company continues to monitor the COVID-19 situation and the Company's Human Resources department will update employees and implement safety management measures issued by government from time to time.

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 one month before the announcement of the Company's half year and full year 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 2022.

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 2022, 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 Mak Lye Mun, Dr Tan Khee Giap and Mr Godfrey Ernest Scotchbrook are the directors seeking re-election at the forthcoming AGM to be held on 28 July 2022 (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 Mak Lye Mun	Dr Tan Khee Giap	Mr Godfrey Ernest Scotchbrook
Date of Appointment	29 July 2021	28 June 2018	21 September 2000
Date of last re-appointment (if applicable)	-	25 August 2020	25 August 2020
Age	64	64	76
Country of principal residence	Singapore	Singapore	Hong Kong
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 Liak Teng Lit for re-appointment as a Director of the Company. The Board has concluded that Mr Mak Lye Mun 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 Dr Tan Khee Giap for re-appointment as a Director of the Company. The Board has concluded that Dr Tan Khee Giap 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 Godfrey Ernest Scotchbrook for re-appointment as a Director of the Company. The Board has concluded that Mr Godfrey Ernest Scotchbrook possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Director, Chairman of the Remuneration Committee and member of the Audit & Risk Committee	Non-Executive Director, Chairman of the Audit & Risk Committee and member of the Nominating Committee and Remuneration Committee	Non-Executive Director, Chairman of the Nominating Committee and member of the Audit & Risk Committee
Professional qualifications	Bachelor of Civil Engineering (1st Class Hons), University of Malaya MBA, University of Texas at Austin	PhD (Monetary Economics), University of East Anglia	DipCamPR and Fellow, Chartered Institute of Public Relations

Corporate Governance

Name of Director	Mr Mak Lye Mun	Dr Tan Khee Giap	Mr Godfrey Ernest Scotchbrook
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Working experience and occupation(s) during the past 10 years	Chief Executive Officer of CIMB Bank Singapore, Advisor to the Chief Executive Officer of CIMB Group Holdings Bhd	Associate Professor of Public Policy at the National University of Singapore Lee Kuan Yew School of Public Policy, Chairman of the Singapore National Committee for Pacific Economic Cooperation and Co-Director of Asia Competitiveness Institute	Founder of Scotchbrook Associates International Ltd, a firm focused on corporate and financial communications and investor relations
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Yes
Shareholding Details	N.A.	N.A.	<u>The Company</u> Indirect interest of 1,052,783 ordinary shares <u>Boustead Projects Limited</u> Indirect interest of 315,834 ordinary shares
Other Principal Commitments (as defined in the Code) including directorships – Past (for the last 5 years)	Independent Non-Executive Chairman of Hwa Hong Corporation Ltd, Independent Non-Executive Director of Boardroom Ltd and Tat Hong Holdings Ltd	Independent Non-Executive Director of Boustead Projects Limited, Co-Director of the Asia Competitiveness Institute at LKYSPP, NUS, and Associate Dean of Graduate Studies at the Nanyang Technological University	Nil
Other Principal Commitments (as defined in the Code) including directorships – Present	Independent Non-Executive Chairman of Intraco Ltd, Independent Non-Executive Director of SC Global Developments Pte Ltd and AVJennings Ltd	Independent Non-Executive director of Amcorp Global Ltd, BreadTalk Group Pte Ltd and Lian Beng Group Ltd	Non-Executive Director of Convenience Retail Asia Ltd and Independent Non-Executive Director of Del Monte Foods Inc and Del Monte Pacific Ltd

Corporate Governance

Name of Director	Mr Mak Lye Mun	Dr Tan Khee Giap	Mr Godfrey Ernest Scotchbrook
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	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	No
(c) Whether there is any unsatisfied judgement against him?	No	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	No

Corporate Governance

Name of Director	Mr Mak Lye Mun	Dr Tan Khee Giap	Mr Godfrey Ernest Scotchbrook
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.			
(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	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	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	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	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	No

Corporate Governance

Name of Director	Mr Mak Lye Mun	Dr Tan Khee Giap	Mr Godfrey Ernest Scotchbrook
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.			
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	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	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	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	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	No
Disclosure applicable to the appointment of Director only.			
Any prior experience as a director of an issuer listed on the Exchange?	N.A.	N.A.	N.A.
If yes, please provide details of prior experience.	N.A.	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.	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.	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 1967 ("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 2022 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 2022;
- the consolidated statement of comprehensive income of the Group for the financial year then ended;
- the statements of financial position of the Group and the Company as at 31 March 2022;
- 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

Report on the Audit of the Financial Statements (cont'd)

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 2022 ("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), Note 4 (Revenue) to the financial statements.</p> <p>During the financial year ended 31 March 2022, revenue from Engineering & Construction contracts amounted to \$324,509,000, which represented 51% 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 since early 2021. Furthermore, supply chain and labour issues from the pandemic and the current global geoeconomics and geopolitical climate situation have resulted and may continue to result in additional costs to complete the projects and project delays beyond the contracted dates of completion. The delay may lead to potential liquidated damage claims by customers and costs overrun, resulting in loss-making contracts.</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, including variation claims from sub-contractors, which affected the measurement of progress of the projects at the reporting date and accordingly revenue recognised; and - provision for liquidated damages 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; For variation orders where management had determined that there was sufficient basis to claim from customers but pending final agreement with the customers, selected samples of claims to customers' instructions and schedule of rates with subcontractors or quotations from subcontractors; 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

Report on the Audit of the Financial Statements (cont'd)

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional 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

Report on the Audit of the Financial Statements (cont'd)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants
Singapore, 30 June 2022

Consolidated Income Statement

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 \$'000	2021 \$'000
Revenue	4	631,811	685,710
Cost of sales	7	(487,058)	(512,107)
Gross profit		144,753	173,603
Interest income	5	8,112	4,765
Other gains - net	6	4,595	127,700
Impairment loss on financial assets and contract assets	37(b)	(3,152)	(1,527)
Expenses			
- Selling and distribution	7	(39,068)	(37,997)
- Administrative	7	(71,961)	(71,015)
- Finance	9	(1,952)	(3,835)
Share of profit of associates and joint ventures	10	13,908	12,601
Profit before income tax		55,235	204,295
Income tax expense	11	(16,448)	(25,440)
Total profit		38,787	178,855
Profit attributable to:			
Equity holders of the Company		30,578	113,073
Non-controlling interests		8,209	65,782
		38,787	178,855
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
- Basic	12	6.33	23.27
- Diluted	12	6.33	23.25

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

Consolidated Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 \$'000	2021 \$'000
Total profit		38,787	178,855
Other comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Share of other comprehensive income of associates	24, 33	739	892
Currency translation differences arising from consolidation	33	(3,384)	9,333
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement of retirement benefit obligation, net of tax		(213)	(498)
Financial assets, at fair value through other comprehensive income			
- Fair value gains – equity investments	18, 33	240	106
Non-controlling interests' share of currency translation differences arising from consolidation	33	45	737
Other comprehensive (loss)/income, net of tax		(2,573)	10,570
Total comprehensive income		36,214	189,425
Total comprehensive income attributable to:			
Equity holders of the Company		27,707	122,847
Non-controlling interests		8,507	66,578
		36,214	189,425

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

Statements of Financial Position – Group and Company

AS AT 31 MARCH 2022

	Note	Group		Company	
		31 March		31 March	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	13	403,861	479,791	97,783	71,861
Trade receivables	14	123,730	116,067	-	-
Other receivables and prepayments	15	74,116	67,358	3,406	3,260
Loans to subsidiaries	16	-	-	29,485	33,086
Inventories	17	3,360	6,931	-	-
Finance lease receivables	22	522	430	-	-
Contract assets	4(b)	56,047	111,706	-	-
Investment securities	18	71,118	5,183	8,841	5,183
Derivative financial instruments	30	38	1,628	101	-
		732,792	789,094	139,616	113,390
Non-current assets					
Trade receivables	14	12,320	20,211	-	-
Other receivables and prepayments	15	74,240	61,118	-	-
Contract assets	4(b)	12	8,853	-	-
Investment securities	18	33,217	32,785	-	-
Property, plant and equipment	19	21,883	29,596	336	386
Right-of-use assets	21	8,577	13,204	-	-
Finance lease receivables		20,362	20,794	-	-
Investment properties	20	87,172	82,588	-	-
Intangible assets	23	153	1,396	30	30
Investments in associates	24	22,766	20,836	-	-
Investments in joint ventures	25	54,866	70,123	-	-
Investments in subsidiaries	26	-	-	84,801	80,142
Pension asset	31	730	-	-	-
Deferred income tax assets	27	15,275	13,602	-	-
		351,573	375,106	85,167	80,558
Total assets		1,084,365	1,164,200	224,783	193,948
LIABILITIES					
Current liabilities					
Trade and other payables	28	210,439	252,704	2,893	7,478
Lease liabilities		2,677	4,363	-	-
Income tax liabilities	11(b)	22,006	30,212	289	509
Loans from subsidiaries	16	-	-	142,702	88,360
Contract liabilities	4(b)	93,765	94,411	-	-
Borrowings	29	2,494	2,541	-	-
Derivative financial instruments	30	803	528	64	95
		332,184	384,759	145,948	96,442
Non-current liabilities					
Trade and other payables	28	53,269	54,090	-	-
Lease liabilities		50,020	53,412	-	-
Contract liabilities	4(b)	579	751	-	-
Borrowings	29	13,486	4,427	-	-
Pension liability	31	257	300	-	-
Deferred income tax liabilities	27	1,346	788	-	-
		118,957	113,768	-	-
Total liabilities		451,141	498,527	145,948	96,442
NET ASSETS		633,224	665,673	78,835	97,506
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	32	74,443	74,443	74,443	74,443
Treasury shares	32	(13,505)	(11,766)	(13,505)	(11,766)
Other reserves	33	(2,026)	(986)	2,398	2,398
Retained profits	34	374,654	385,262	15,499	32,431
		433,566	446,953	78,835	97,506
Non-controlling interests	26	199,658	218,720	-	-
Total equity		633,224	665,673	78,835	97,506

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

Consolidated Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

← 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
2022								
Beginning of financial year		74,443	(11,766)	(986)	385,262	446,953	218,720	665,673
Profit for the financial year		-	-	-	30,578	30,578	8,209	38,787
Other comprehensive (loss)/income for the financial year	33	-	-	(2,677)	(194)	(2,871)	298	(2,573)
Total comprehensive (loss)/income for the financial year		-	-	(2,677)	30,384	27,707	8,507	36,214
Employee share-based compensation								
- Value of employee services	33	-	-	614	-	614	523	1,137
- Treasury shares re-issued by a subsidiary	33	-	-	1,043	-	1,043	890	1,933
Dividends	34	-	-	-	(41,128)	(41,128)	(23,293)	(64,421)
Purchase of treasury shares	32,33	-	(1,739)	-	-	(1,739)	-	(1,739)
Purchase of treasury shares by a subsidiary	33	-	-	(169)	-	(169)	(147)	(316)
Effect of acquisition of shares from non-controlling interests		-	-	149	136	285	(5,542)	(5,257)
Total transactions with owners, recognised directly in equity		-	(1,739)	1,637	(40,992)	(41,094)	(27,569)	(68,663)
End of financial year		74,443	(13,505)	(2,026)	374,654	433,566	199,658	633,224
2021								
Beginning of financial year		74,443	(9,309)	(9,973)	287,471	342,632	154,103	496,735
Profit for the financial year		-	-	-	113,073	113,073	65,782	178,855
Other comprehensive income/(loss) for the financial year	33	-	-	10,281	(507)	9,774	796	10,570
Total comprehensive income for the financial year		-	-	10,281	112,566	122,847	66,578	189,425
Employee share-based compensation								
- Value of employee services	33	-	-	17	-	17	16	33
- Treasury shares re-issued by a subsidiary	33	-	-	(15)	(315)	(330)	330	-
Dividends	34	-	-	-	(14,598)	(14,598)	(2,025)	(16,623)
Purchase of treasury shares	32,33	-	(2,457)	-	-	(2,457)	-	(2,457)
Purchase of treasury shares by a subsidiary	33	-	-	(150)	138	(12)	(280)	(292)
Disposal of a 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

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

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from operating activities			
Profit before income tax		55,235	204,295
Adjustments for:			
- Share of profit of associates and joint ventures		(13,908)	(12,601)
- Unrealised construction and project management margins		3,594	2,386
- Depreciation expense		10,881	15,480
- Amortisation expense		677	1,198
- Impairment loss on intangible assets		721	-
- Impairment loss of property, plant and equipment		962	-
- Loss/(Gain) on disposal of property, plant and equipment		3,018	(65)
- Employee (including directors) share-based compensation expense		1,137	33
- Gain on disposal of right-of-use assets		(57)	-
- Fair value gains on financial assets, at FVPL		(3,343)	(363)
- Gain on disposal of a subsidiary		-	(4,037)
- Gain on disposal/partial disposal of properties, a subsidiary and joint ventures		-	(132,499)
- Finance expenses		1,952	3,835
- Interest income		(8,112)	(4,765)
- Unrealised currency exchange (gains)/losses		(50)	174
		52,707	73,071
Change in working capital:			
- Trade receivables, other receivables and prepayments		(3,337)	(8,284)
- Inventories and contracts assets/liabilities		66,604	(20,076)
- Properties held for sale		-	(243)
- Trade and other payables		(46,060)	40,769
- Derivative financial instruments		1,870	(1,224)
- Restricted bank deposit	13	3,500	(3,500)
Cash generated from operations		75,284	80,513
Interest received		2,332	4,046
Income tax paid		(22,653)	(22,092)
Net cash provided by operating activities		54,963	62,467

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

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2022 \$'000	2021 \$'000
Cash flows from investing activities			
Proceeds from disposal of investment securities		3,038	15,117
Proceeds from disposal of property, plant and equipment		3,167	177
Proceeds from disposal of properties		-	240,800
Proceeds from disposal of a subsidiary and joint ventures		519	25,813
Repayment of loans by joint ventures		15,000	79,334
Repayment of loan by an associate		1,555	4,957
Repayment of loan by a related party		6,431	-
Dividends received from associates and joint ventures		15,182	8,362
Interest received on notes issued by an associate		3,524	-
Interest received on notes issued by non-related party		78	97
Interest received on loan by a related party		1,585	-
Purchase of investment securities		(65,780)	(3,266)
Purchase of property, plant and equipment		(3,597)	(3,052)
Additions to investment properties		(5,818)	(8,464)
Additions to intangible assets		(155)	(681)
Disposal of subsidiaries, net of cash disposed of		-	(432)
Capital contributions to joint ventures		(1,906)	(10,720)
Notes issued by an associate		(13,750)	(59,000)
Loan to associates		-	(3,188)
Investment in associates		(3,774)	(14,251)
Deposits paid for investment		(12,297)	(4,615)
Net cash (used in)/provided by investing activities		(56,998)	266,988
Cash flows from financing activities			
Proceeds from borrowings		14,235	9,848
Capital contributions from a non-controlling interest		-	225
Proceeds from treasury shares re-issued by a subsidiary		1,933	-
Purchase of treasury shares		(1,739)	(2,457)
Purchase of treasury shares by a subsidiary		(316)	(292)
Repayment of borrowings		(5,216)	(121,847)
Interest payment of borrowings		(225)	(1,017)
Principal payment of lease liabilities		(5,996)	(6,898)
Interest payment of lease liabilities		(1,727)	(2,818)
Payments to non-controlling shareholders for the purchase of shares in subsidiaries		(5,257)	-
Dividends paid to non-controlling interests		(23,293)	(2,025)
Dividends paid to equity holders of the Company		(41,128)	(14,598)
Net cash used in financing activities		(68,729)	(141,879)
Net (decrease)/increase in cash and cash equivalents		(70,764)	187,576
Cash and cash equivalents			
Beginning of financial year		476,291	281,706
Effects of currency translation on cash and cash equivalents		(1,666)	7,009
End of financial year	13	403,861	476,291

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

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

Reconciliation of liabilities arising from financing activities

	1 April	Proceeds	Principal and interest payments	Non-cash changes							31 March
				Disposal of properties and subsidiaries	Remeasurement/Modification of lease liability	Interest capitalised	Interest expense	Addition during the financial year	Derecognition of lease liabilities	Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Borrowings											
2022	6,968	14,235	(5,441)	-	-	-	225	-	-	(7)	15,980
2021	118,993	9,848	(122,864)	-	-	-	1,017	-	-	(26)	6,968
Lease liabilities											
2022	57,775	-	(7,723)	-	-	645	1,727	1,679	(1,581)	175	52,697
2021	96,049	-	(9,716)	(33,710)	(45)	-	2,818	2,208	-	171	57,775

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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 associates, joint ventures and subsidiaries are set out in Notes 24, 25 and 26 respectively to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The preparation of financial statements in conformity with SFRS(I)s 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 judgement 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 2021

On 1 April 2021, 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, except as follows:

(i) *Interest Rate Benchmark Reform – Phase 2*

The Group has adopted the amendments to SFRS(I) 9, SFRS(I) 7 and SFRS(I) 16 Interest Rate Benchmark Reform – Phase 2 effective 1 January 2021. The Group applied the Phase 2 amendments retrospectively and in accordance with the exceptions permitted in the Phase 2 amendments, the Group has elected not to restate comparatives for the prior periods to reflect the application of these amendments. Since the Group had no transactions for which the benchmark rate had been replaced with an alternative benchmark rate as at 31 March 2021, there is no impact on the opening equity balances as at 1 April 2021 as a result of retrospective application.

Financial instruments measured at amortised cost

Phase 2 of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by replacement inter-bank offered rates ("IBOR") reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised.

These expedients are only applicable to changes that are required by IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective on 1 April 2021 (cont'd)

(i) Interest Rate Benchmark Reform – Phase 2 (cont'd)

Effect of IBOR reform

Following the global financial crisis, the reform and replacement IBOR has become a priority for global regulators. The Group's risk exposure that is directly affected by the IBOR reform comprises its variable rate borrowings that are linked to the United States Dollar London Inter-bank Offer Rate ("USD LIBOR") and the Singapore Inter-bank Offer Rate ("SIBOR") and its variable rate loans to associates that are linked to the United States Dollar London Inter-bank Offer Rate ("USD LIBOR") and the Kuala Lumpur Inter-Bank Offer Rate ("KLIBOR").

The USD LIBOR loses its representativeness after 30 June 2023, and it is expected to be replaced by the Secured Overnight Financing Rate ("SOFR"). The Group has variable-rate USD bank borrowings and loans to associates which references to the USD LIBOR and matures after 30 June 2023. The Group's communication with its debt counterparty is ongoing, but specific changes required by IBOR reform have not yet been agreed. The expected transition from USD LIBOR to SOFR had no material effect on the amounts reported for the current and prior financial years.

The cessation date for the KLIBOR has not been announced but it is expected to be replaced by the Malaysia Overnight Rate ("MYOR"). The Group's communication with its associate is ongoing, but specific changes required by IBOR reform have not yet been agreed. The expected transition from KLIBOR to MYOR had no material effect on the amounts reported for the current and prior financial years.

The 6-month SIBOR was ceased on 31 March 2022. The 1-month SIBOR and 3-month SIBOR are expected to cease by end 2024 and they will be replaced by the Singapore Overnight Rate Average ("SORA"). The Group has a variable-rate SGD borrowing which references to SIBOR and matures after 30 June 2023. The transition from SIBOR to SORA had no material effect on the amounts reported for the current and prior financial years.

The following table contains details of all the financial instruments that the Group holds as at 31 March 2022 which are referenced to USD LIBOR and have not yet transitioned to new benchmark rates:

	USD LIBOR	
	Amount	Of which: Not yet transitioned to an alternative benchmark rate
	\$'000	\$'000
Group		
31 March 2022		
Liability		
- Borrowings	7,442	7,442

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective on 1 April 2021 (cont'd)

(i) Interest Rate Benchmark Reform – Phase 2 (cont'd)

Effect of IBOR reform (cont'd)

	KLIBOR	
	Amount	Of which: Not yet transited to an alternative benchmark rate
	\$'000	\$'000

Group

31 March 2022

Asset

- Other receivables and prepayments	17,685	17,685
-------------------------------------	--------	--------

	SIBOR	
	Amount	Of which: Not yet transited to an alternative benchmark rate
	\$'000	\$'000

Group

31 March 2022

Liability

- Borrowings	716	716
--------------	-----	-----

2.2 Revenue

(a) Revenue from Real Estate

(i) 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 for the Group due to contractual restriction and the Group has 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 measure of progress is determined based on the proportion of contract costs incurred to date relative 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(a) Revenue from Real Estate (cont'd)

(i) Engineering & Construction contracts (cont'd)

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 are an industry practice to protect the customer from the performing entity's 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 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 exceeds 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) 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.

(iii) 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.

(iv) Rental income

Please refer to Note 2.17 for the accounting policy for rental income.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 for the Group due to contractual restriction and the Group has 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 measure of progress is determined based on the proportion of contract costs incurred to date relative 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 are an industry practice to protect the customer from the performing entity's 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 exceeds 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.

(iii) *Services*

Revenue from maintenance services is recognised in the accounting period in which 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(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 accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised on a straight-line basis over the term of the contract. 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 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. Revenue is recognised when each of the PO is satisfied.

For prepaid maintenance contract costs which are within the scope of another SFRS(I), 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 costs relate directly to a contract or an anticipated contract which the Company can specifically identify; (b) these costs 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue (cont'd)

(d) *Revenue from Healthcare*

(i) *Sale of medical products*

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

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

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

(ii) *Rendering of services*

The Group provides preventive maintenance services, physiotherapy and rehabilitation services.

Revenue arising from services is recognised in the accounting period in which the services are rendered. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service.

(e) *Interest income*

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

(f) *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.

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 as income 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting

(a) *Subsidiaries*

(i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power 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, 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.

(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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(a) *Subsidiaries (cont'd)*

(iii) *Disposals*

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

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

Please refer to Note 2.5 for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

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

(c) *Associates and joint ventures*

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

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

Investments in 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Group accounting (cont'd)

(c) *Associates and joint ventures (cont'd)*

(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 the associates or joint ventures equals to or exceeds its interest in the associates or joint ventures, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associates or joint ventures. If the associates or joint ventures 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 associates or joint ventures 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 associates or joint ventures 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.

2.5 Investments in subsidiaries

Investments in subsidiaries 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 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	20 years
Fitouts	2 – 12 years
Machinery and equipment	2 – 15 years
Furniture, office equipment and motor vehicles	2 – 20 years
Medical equipment and operating assets	3 – 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.

2.7 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.7 Intangible assets (cont'd)

(b) *Acquired trademarks*

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 if development costs can be measured reliably, the software is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the software. 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.

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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 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 flows 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.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 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 of debt instruments 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 assets.

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

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

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. 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 of the Group mainly comprise of cash and bank deposits, trade and other receivables, unlisted debt securities and loans/notes to subsidiaries, associates and joint ventures.

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

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where these 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 are recognised 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.10 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 securities which are not held for trading.

The Group has elected to recognise changes in fair value of equity investments not held for trading in OCI as these are strategic investments and the Group considered this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains and 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 37 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, other receivables, lease 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 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.

2.12 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 subsidiary of an associate. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries, an associate, a joint venture and a subsidiary of an associate 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) amount initially recognised less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and
- (b) the amount of expected loss allowance computed using impairment methodology under SFRS(I) 9.

2.13 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.

2.14 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.

2.15 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.16 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases

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

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 a right-of-use asset and lease liability 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 incentives 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.

The right-of-use asset is 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 contain 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 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 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.

(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 recognised 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Leases (cont'd)

(ii) When the Group is the lessor: (cont'd)

• 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.

2.18 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.19 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 and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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 an asset or liability that 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.19 Income taxes (cont'd)

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.

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.21 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.

(b) *Employee share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The fair 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 the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under share awards that are expected to become exercisable 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 become exercisable 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 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 Group.

(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.

(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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 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.

2.24 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. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.25 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.

2.26 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 2022

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 judgements 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 and volatility of the geoeconomics and geopolitical climate*

The supply chain and labour issues arising from the effects of the pandemic and the volatility of the geoeconomics and geopolitical climate had impacted selected Engineering & Construction contracts of the Group. While there had been greater construction activities in FY2022, the progress was still affected by disruptions in the supply chain, a tight labour supply and Safe Management Measures. These factors have resulted in additional costs (associated with project resumption, prolongation and acceleration) to complete the projects, and project delays beyond the contracted dates of completion, leading to the delayed recognition of construction revenue.

The Group has considered the market conditions (including the impact of COVID-19) as at 31 March 2022 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 to the Group's Engineering & Construction contracts are disclosed in Note 3(b).

As at the date these financial statements are authorised for issuance, the Group continues to face challenges arising from the effects of the pandemic and the volatility of the geoeconomic and geopolitical climate. Accordingly, the Group cannot reasonably ascertain the full extent of the probable impact arising from these challenges.

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

(i) *Estimated total contract sum and project costs*

As disclosed in Note 2.2(a)(i), revenue on Engineering & Construction contracts is recognised over time using the input method. Under the input method, management has to estimate the total contract sum and contract costs to be incurred up to the completion date of the projects ("costs-to-complete").

Significant judgement and assumptions are applied when estimating the total contract sum and the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion of the ongoing projects at 31 March 2022.

The estimation of total contract sum includes variation orders where management had determined that there was sufficient basis to claim from customers but pending final agreement with the customers. In making this assessment, management has relied on the term of the contracts with customers and official instructions issued by customers to carry out the variation orders.

In making estimation of the value of variation orders to be included into the total contract sum, management has applied the contracted Schedule of Rates with subcontractors or quotations from subcontractors, on the basis that it is highly probable to recover from customers the cost of performing these variation orders.

If the estimated value of the variation orders that are considered recoverable decreases by 5% from management's estimates (with the total contract cost remaining unchanged), the Group's revenue and profit before income tax will decrease by approximately \$1,140,000.

In estimating total cost-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 2022. Management has made provision for contingency on each project to address these inherent risks. In addition, management has taken into consideration the cost increase arising from the pandemic and the volatility of the geoeconomics and geopolitical climate.

Management has assessed for two on-going Engineering & Construction contracts where the total construction costs have exceeded the total contract sum, resulting in a provision for onerous contracts of \$11,691,000 (2021: \$7,317,000) as at 31 March 2022.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 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 the balance sheet date, the Group had taken into account delays caused by the pandemic and the volatility of the geoeconomics and geopolitical climate. In assessing the liquidated damages payable to the customers, management has also taken into consideration the contractual rights which afforded relief in force majeure events which are beyond the control of the Group and the application of COVID-19 (Temporary Measures) Act 2020 ("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 2022, 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 (if any) 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.

(e) *Valuation of investment securities*

Investment securities are stated at their fair values based on valuations performed, using valuation methods that involve certain estimates. Valuation methods used are discounted cash flow approach, market approach, income capitalisation approach and asset based valuation approach. The significant inputs to the valuation methods would be credit-adjusted discount rate, sale price of property, capitalisation rate and discount for lack of control. The key assumptions used to determine the fair value of these investment securities are provided in Note 37(f).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

4. REVENUE

(a) Disaggregation of revenue from contracts with customers

	At a point in time	Over time	Total
	\$'000	\$'000	\$'000
Group			
2022			
<u>Revenue from contracts with customers</u>			
Energy Engineering			
- Engineering contracts	-	105,533	105,533
- Sale of products	2,904	815	3,719
- Services	3,054	-	3,054
Real Estate			
- Engineering & Construction contracts	-	324,509	324,509
- Management fee income	789	6,092	6,881
Geospatial			
- Licence	25,371	21,019	46,390
- Maintenance and other services	11,632	110,297	121,929
Healthcare			
- Sale of products	8,360	-	8,360
- Services	1,214	2,382	3,596
	53,324	570,647	623,971
<u>Revenue from other sources</u>			
Property rental income			7,823
Dividend income			141
			631,935
Less: Government grant expense – rent concession			(124)
Total			631,811

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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			
2021			
<u>Revenue from contracts with customers</u>			
Energy Engineering			
- Engineering contracts	-	192,010	192,010
- 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	37,518	14,765	52,283
- Maintenance and other services	14,015	104,059	118,074
Healthcare			
- Sale of products	11,150	-	11,150
- Services	1,766	2,272	4,038
	71,947	582,728	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 2022

4. REVENUE (cont'd)

(b) Contract assets and liabilities

	Group		
	31 March		1 April
	2022 \$'000	2021 \$'000	2020 \$'000
<i>Contract assets</i>			
<i>Current</i>			
- Engineering contracts under Energy Engineering	22,432	80,686	37,979
- Engineering & Construction contracts under Real Estate	10,656	10,783	26,712
- Licence contracts under Geospatial	23,021	20,303	5,771
- Service contracts under Healthcare	30	30	60
Less: Loss allowance (Note 37(b))	(92)	(96)	(1,002)
	56,047	111,706	69,520
<i>Non-current</i>			
- Licence contracts under Geospatial	-	8,810	1,568
- Service contracts under Healthcare	12	43	-
	12	8,853	1,568
Total contract assets	56,059	120,559	71,088
<i>Contract liabilities</i>			
<i>Current</i>			
- Engineering contracts under Energy Engineering	1,097	1,293	11,571
- Engineering & Construction contracts under Real Estate	36,022	48,180	20,741
- Maintenance contracts under Geospatial	56,546	44,546	33,743
- Service contracts under Healthcare	100	392	143
	93,765	94,411	66,198
<i>Non-current</i>			
- Maintenance contracts under Geospatial	579	751	1,159
Total contract liabilities	94,344	95,162	67,357

Contract assets relate to the Group's right to consideration for work completed but not yet billed at reporting date. The contract assets balance decreased as the Group provided lesser services and transferred lesser 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 decreased due to lesser 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 2022

4. REVENUE (cont'd)

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

(i) Revenue recognised in relation to contract liabilities

	Group	
	2022 \$'000	2021 \$'000
<i>Revenue recognised in current period that was included in the contract liability balance at the beginning of the financial year</i>		
- Engineering contracts under Energy Engineering	623	5,599
- Engineering & Construction contracts under Real Estate	48,180	20,741
- Maintenance contracts under Geospatial	42,787	34,430
- Service contracts under Healthcare	107	143
	91,697	60,913

(ii) Unsatisfied performance obligations

	Group	
	2022 \$'000	2021 \$'000
<i>Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 March</i>		
- Engineering contracts under Energy Engineering	38,976	89,640
- Engineering & Construction contracts under Real Estate	234,686	351,551
- Maintenance contracts under Geospatial	68,620	41,421
- Service contracts under Healthcare	36	1,949
	342,318	484,561

Management expects that the transaction price allocated to the unsatisfied performance obligations as at 31 March 2022 may be recognised as revenue as the Group continues to perform to complete the construction over the next 1 to 3 years (2021: 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
	2022 \$'000	2021 \$'000	2020 \$'000
Current	123,730	116,067	111,371
Non-current	12,320	20,211	19,850

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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

5. INTEREST INCOME

	Group	
	2022 \$'000	2021 \$'000
Interest income		
- Financial assets, at amortised cost		
- Bank deposits	1,950	2,152
- Loan to a joint venture	-	164
- Loan to associates	599	776
- Loan to subsidiary of an associate	142	338
- Notes issued by an associate	4,452	328
- Others	278	174
	7,421	3,932
- Financial assets, at FVPL	-	114
	7,421	4,046
Finance income on sublease	691	719
	8,112	4,765

6. OTHER GAINS - NET

	Group	
	2022 \$'000	2021 \$'000
Fair value (losses)/gains		
- Derivative financial instruments	(1,870)	1,224
- Financial assets, at FVPL (Note 18(a))	3,343	363
Gain on disposal of a subsidiary	-	4,037
Gain on disposal/partial disposal of properties, a subsidiary and joint ventures (Note 38(c))	-	132,499
Currency exchange gains/(losses) - net	3,122	(10,423)
	4,595	127,700

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

7. EXPENSES BY NATURE

	Group	
	2022 \$'000	2021 \$'000
Employee compensation (Note 8)	100,693	97,049
Share-based compensation payment to directors of a subsidiary (Note 32(c))	189	-
Sub-contractor fees and other construction and engineering costs	381,294	406,202
Purchases of inventories and services	75,829	75,360
Depreciation expense (Notes 19, 20 and 21)	10,881	15,480
Amortisation of intangible assets (Note 23)	677	1,198
Impairment loss on intangible assets (Note 23)	721	-
Impairment loss on property, plant and equipment (Note 19)	962	-
Inventories written-off	640	25
Directors' fees		
- Directors of the Company	276	256
- Directors of a subsidiary	265	252
Allowance for impairment of inventories	272	27
Fees on audit services paid/payable to:		
- Auditor of the Company	506	536
- Other auditors *	349	288
Fees on non-audit services paid/payable to:		
- Auditor of the Company	33	20
- Other auditors	117	185
Legal and professional fees	4,041	6,857
Rental expenses/(rebates) on operating leases (a)	570	(11)
Property tax (b)	690	1,682
Utility charges	923	848
Repair and maintenance expenses	3,835	4,903
Marketing expenses	4,049	3,535
Loss/(Gain) on disposal of property, plant and equipment	3,018	(65)
Gain on disposal of right-of-use assets	(57)	-
Collaboration costs	1,616	983
Others	5,698	5,509
Total cost of sales, selling and distribution and administrative expenses	598,087	621,119

* Includes the network of member firms of PricewaterhouseCoopers International Limited ("PwCIL").

- (a) In 2021, included within rental expenses/(rebates) are COVID-19 related rent concessions received from lessors of \$492,000 to which the Group applied the practical expedient and recognised as negative variable lease payments (i.e. reduction on the rental expenses) during the financial year.
- (b) Included within property tax are grant income of \$103,000 (2021: \$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 2022

8. EMPLOYEE COMPENSATION

	Group	
	2022 \$'000	2021 \$'000
Wages and salaries	92,314	89,391
Employer's contribution to defined contribution plans including Central Provident Fund	7,369	7,544
Employee share-based compensation expense (Note 32(c))	948	33
Other benefits	62	81
	100,693	97,049

During the financial year ended 31 March 2022, Government grants under the Job Support Scheme ("JSS") amounting to \$238,000 (2021: \$7,513,000) and Job Growth Incentive ("JGI") amounting to \$349,000 (2021: \$16,000) were recorded as a reduction to the wages and salaries.

The JSS is a temporary scheme introduced in the Singapore Budget 2021 to help enterprises retain local employees. Under the JSS, employers received cash grants in relation to the gross monthly wages of eligible employees for the months of October 2019 to September 2021.

The JGI is a scheme introduced in 2020 and extended in the Singapore Budget 2021 to co-fund the wages of local new hires for companies. The Government supports up to 50% of gross monthly wages of local employees hired between September 2020 and September 2021 for up to 18 months.

9. FINANCE EXPENSES

	Group	
	2022 \$'000	2021 \$'000
Interest expense		
- Bank borrowings	225	1,017
- Lease liabilities (Note 21 (b))	1,727	2,818
	1,952	3,835

10. SHARE OF PROFIT OF ASSOCIATES AND JOINT VENTURES

	Group	
	2022 \$'000	2021 \$'000
Share of profit after income tax		
- Associates (Note 24)	1,648	821
- Joint ventures (Note 25)	12,260	11,780
	13,908	12,601

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

11. INCOME TAXES

(a) Income tax expense

	Group	
	2022 \$'000	2021 \$'000
Tax expense attributable to profit is made up of:		
- Profit for the financial year:		
Current income tax		
- Singapore	5,234	17,222
- Foreign	13,864	17,390
	19,098	34,612
Deferred income tax (Note 27)	(967)	(8,748)
	18,131	25,864
- (Over)/Under provision in prior financial years:		
Current income tax	(1,412)	(620)
Deferred income tax (Note 27)	(271)	196
	(1,683)	(424)
	16,448	25,440

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	
	2022 \$'000	2021 \$'000
Profit before tax	55,235	204,295
Share of profit of associates and joint ventures	(13,908)	(12,601)
Profit before tax and share of profit of associates and joint ventures	41,327	191,694
Tax calculated at tax rate of 17% (2021: 17%)	7,026	32,588
Effects of:		
- expenses not deductible for tax purposes	3,840	4,760
- tax on share of profit of joint venture under limited liability partnership structure	3,654	1,038
- profits of joint ventures taxed at Group level	3,654	1,038
- different tax rates in other countries	4,371	4,862
- deferred income tax assets not recognised	1,077	676
- income not subject to tax	(289)	(17,524)
- tax incentives	(1,409)	(392)
- over provision in prior financial years - net	(1,683)	(424)
- utilisation of previously unrecognised tax losses	(111)	(81)
- others	(28)	(63)
Tax charge	16,448	25,440

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

11. INCOME TAXES (cont'd)

(b) Movement in current income tax payable

	Group	
	2022 \$'000	2021 \$'000
Beginning of financial year	30,212	15,925
Currency translation differences	(3,239)	2,387
Income tax paid	(22,653)	(22,092)
Tax expense	19,098	34,612
Over provision in prior financial years	(1,412)	(620)
End of financial year	22,006	30,212

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.

	2022	2021
Profit attributable to equity holders of the Company (\$'000)	30,578	113,073
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	483,261	486,018
Basic earnings per share (cents per share)	6.33	23.27

(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:

	2022	2021
Profit attributable to equity holders of the Company (\$'000)	30,578	113,073
Adjustment for dilutive potential ordinary shares of a subsidiary (\$'000)	-	(82)
Adjusted profit attributable to equity holders of the Company (\$'000)	30,578	112,991
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	483,261	486,018
Diluted earnings per share (cents per share)	6.33	23.25

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

13. CASH AND CASH EQUIVALENTS

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash at bank and on hand	282,551	335,308	69,783	40,861
Short-term bank deposits	121,310	144,483	28,000	31,000
	403,861	479,791	97,783	71,861

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

	Group	
	2022 \$'000	2021 \$'000
Cash at bank balances (as above)	403,861	479,791
Less: Restricted bank deposit	-	(3,500)
Cash and cash equivalents in the statement of cash flows	403,861	476,291

Cash and cash equivalents belonging to subsidiaries of the Group amounting to \$15,012,000 (2021: \$11,648,000) 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.

14. TRADE RECEIVABLES

	Group	
	2022 \$'000	2021 \$'000
<i>Current</i>		
Trade receivables:		
- Non-related parties	129,744	114,643
- Joint ventures	2,467	7,757
- Associates	642	3,966
- Subsidiary of an associate	-	607
Less: Allowance for impairment of receivables - non-related parties (Note 37(b))	(29,284)	(27,050)
	103,569	99,923
Retention sum receivables:		
- Non-related parties	15,351	13,998
- Associate	1,088	-
- Joint ventures	3,722	2,146
	20,161	16,144
	123,730	116,067
<i>Non-current</i>		
Retention sum receivables		
- Non-related parties	12,320	15,538
- Joint ventures	-	4,673
	12,320	20,211

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

15. OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Current</i>				
Loans to:				
- Associates	19,038	20,736	1,353	2,896
Less: Allowance for impairment of loan to an associate	(5,027)	(4,049)	-	-
	14,011	16,687	1,353	2,896
- Subsidiary of an associate	-	7,964	-	-
	14,011	24,651	1,353	2,896
Other receivables:				
- Non-related parties	12,814	14,336	294	354
- Subsidiaries	-	-	1,757	5
- Joint ventures	2,612	53	-	-
- Associates	5,056	4,657	-	-
- Subsidiary of an associate	15	578	-	-
Less: Allowance for impairment of other receivables – Non-related parties	(5,608)	(5,135)	-	-
	28,900	39,140	3,404	3,255
Tax recoverable	1,984	603	-	-
Deposits	18,822	5,570	-	-
Prepayments	3,487	3,519	2	5
Prepaid maintenance contract costs	20,749	18,341	-	-
Staff loans and advances	174	185	-	-
	74,116	67,358	3,406	3,260
<i>Non-current</i>				
Notes issued by an associate	72,750	59,000	-	-
Other receivables	836	1,015	-	-
Prepayments	654	1,103	-	-
	74,240	61,118	-	-

Current loan to an associate by the Group amounting to \$17,685,000 is denominated in Malaysian Ringgit ("MYR"), unsecured, bears interest at 0.50% (2021: 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 37(b).

Current loan to an associate by the Group and Company amounting to \$1,353,000 (2021: \$2,896,000) is denominated in United States Dollar ("USD"), unsecured, bears interest at a fixed rate of 8.00% (2021: 8.00%) per annum and is repayable within the next 12 months.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

15. OTHER RECEIVABLES AND PREPAYMENTS (cont'd)

Loan to a subsidiary of an associate, denominated in MYR, was unsecured, bears interest at 2.00% (2021: 2.00%) above KLIBOR per annum and was repaid during the financial year.

The non-current notes issued by an associate, Boustead Industrial Fund, are unsecured, bear interest of 7.00% per annum and are repayable in 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 10.00% concessionary tax rate on the net interest income earned by the Group.

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 subsidiary of an associate are unsecured, interest-free and are repayable on demand. Movement in the allowance for impairment of other receivables is disclosed in Note 37(b).

16. LOANS TO/FROM SUBSIDIARIES

	Company	
	2022 \$'000	2021 \$'000
Loans to subsidiaries		
- Non-interest bearing	50,844	50,288
- Interest bearing	7,125	8,354
	57,969	58,642
Less: Allowance for impairment of loans to subsidiaries	(28,484)	(25,556)
	29,485	33,086
Loans from subsidiaries		
- Non-interest bearing	1,837	1,845
- Interest bearing	140,865	86,515
	142,702	88,360

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

Interest bearing loans to subsidiaries bear effective interest at 1.54% (2021: 2.06%) per annum and are unsecured and repayable on demand.

Interest bearing loans from subsidiaries bear effective interest at 0.38% (2021: 0.96%) per annum and are unsecured and repayable on demand.

Movement in the allowance for impairment of loans to subsidiaries:

	Company	
	2022 \$'000	2021 \$'000
Beginning of financial year	25,556	25,119
Allowance made	2,928	437
End of financial year	28,484	25,556

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

17. INVENTORIES

	Group	
	2022 \$'000	2021 \$'000
Construction materials	-	2,565
Raw materials	205	610
Finished goods	3,155	3,756
	3,360	6,931

The cost of inventories recognised as an expense and included in "cost of sales" amounted to \$28,920,000 (2021: \$30,813,000).

18. INVESTMENT SECURITIES

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Financial assets, at FVPL	72,674	6,547	8,841	5,183
Financial assets, at FVOCI	31,661	31,421	-	-
Total	104,335	37,968	8,841	5,183
Less: Current portion	(71,118)	(5,183)	(8,841)	(5,183)
Non-current portion	33,217	32,785	-	-

(a) Financial assets, at FVPL

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Beginning of financial year	6,547	18,187	5,183	12,687
Currency translation differences	42	(152)	35	(152)
Additions	65,780	3,266	7,144	2,668
Fair value gains/(losses) (Note 6)	3,343	363	(499)	257
Disposals	(3,038)	(15,117)	(3,022)	(10,277)
End of financial year	72,674	6,547	8,841	5,183

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

18. INVESTMENT SECURITIES (cont'd)

(a) Financial assets, at FVPL (cont'd)

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Current</i>				
Listed instruments:				
- Equity instruments	7,130	-	7,130	-
Non-listed instruments:				
- Debt instrument	62,277	-	-	-
- Equity instruments	1,711	5,183	1,711	5,183
	71,118	5,183	8,841	5,183
<i>Non-current</i>				
Non-listed instruments:				
- Equity instruments	1,556	1,364	-	-
	1,556	1,364	-	-
Total	72,674	6,547	8,841	5,183

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

In August 2021, the Group, together with two non-related parties, acquired \$110,000,000 of notes issued by SC Aetas (Cayman) Limited ("SCA"). The Group paid \$58,500,000 comprising 50% of the principal and interest outstanding on the notes, which were already in default on the acquisition date.

The notes are secured by the assignment of SCA's bank accounts and shareholder loan receivables, a charge over the shares ("Share Charge") in SC Aetas Holdings Pte Ltd, a subsidiary of SCA, ("Singapore Subsidiary"), and a personal guarantee from a shareholder of SCA.

In September 2021, the Group commenced the process of enforcing the Share Charge. The Singapore Subsidiary, which owns a mixed development property was placed under creditors' voluntary liquidation and the liquidators initiated the sale of the property as part of the creditors' voluntary winding up.

The fair value of the notes as at 31 March 2022 have been determined using the discounted cash flow model where the expected future payments are discounted using a credit-adjusted discount rate. The expected future payments are projected based on the expected sale price of the mixed development property owned by the Singapore Subsidiary, less transaction costs and other costs as advised by the liquidators of the Singapore Subsidiary.

Subsequent to the end of the financial year, the Group, together with other non-related parties, entered into an agreement to purchase of the mixed development property at a consideration of \$515,000,000 (Note 40).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

18. INVESTMENT SECURITIES (cont'd)

(b) Financial assets, at FVOCI

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Beginning of financial year	31,421	31,315	-	-
Fair value gains	240	106	-	-
End of financial year	31,661	31,421	-	-

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Non-current assets</i>				
<i>Non-listed instrument:</i>				
- Equity instrument	31,661	31,421	-	-
Total	31,661	31,421	-	-

The Group holds a 5.27% unquoted 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 2022 is based on a valuation performed by an independent professional property valuer. See further details in Note 37(f).

The outbreak of COVID-19 has resulted in market uncertainty and volatility, and accordingly the valuation of underlying property held by PTD 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 2022

19. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Buildings	Leasehold property	Fitouts	Machinery and equipment	Furniture, office equipment and motor vehicles	Medical equipment and operating assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
2022								
<i>Cost</i>								
Beginning of financial year	5,226	6,882	1,793	8,899	15,814	18,973	892	58,479
Currency translation differences	(83)	(228)	-	(86)	18	(108)	(2)	(489)
Additions	-	-	-	432	452	2,273	440	3,597
Disposals	-	(5)	-	(1,004)	(6,453)	(2,138)	(20)	(9,620)
End of financial year	5,143	6,649	1,793	8,241	9,831	19,000	1,310	51,967
<i>Accumulated depreciation</i>								
Beginning of financial year	-	1,399	314	4,883	7,090	14,631	566	28,883
Currency translation differences	-	(54)	-	(48)	24	(89)	(2)	(169)
Depreciation charge	-	156	89	575	960	1,792	271	3,843
Disposals	-	(5)	-	(938)	(836)	(1,644)	(12)	(3,435)
End of financial year	-	1,496	403	4,472	7,238	14,690	823	29,122
<i>Accumulated impairment</i>								
Beginning of financial year	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	962	-	-	962
End of financial year	-	-	-	-	962	-	-	962
Net book value								
End of financial year	5,143	5,153	1,390	3,769	1,631	4,310	487	21,883
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	555	(3)	465	470	(9)	2,995
Additions	-	-	7	192	352	2,286	215	3,052
Disposals	-	-	-	-	(227)	(913)	-	(1,140)
Reclassification	-	(2,230)	(4,691)	8,786	-	(1,865)	-	-
Disposal of a subsidiary	-	-	-	(76)	-	(791)	-	(867)
End of financial year	5,226	6,882	1,793	8,899	15,814	18,973	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	482	8	415	419	(8)	1,393
Depreciation charge	-	151	90	600	952	1,707	194	3,694
Disposals	-	-	-	-	(228)	(800)	-	(1,028)
Reclassification	-	(18)	(3,393)	4,348	-	(937)	-	-
Disposal of a subsidiary	-	-	-	(73)	-	(646)	-	(719)
End of financial year	-	1,399	314	4,883	7,090	14,631	566	28,883
Net book value								
End of financial year	5,226	5,483	1,479	4,016	8,724	4,342	326	29,596

An impairment charge of \$962,000 (2021: \$Nil) on a certain machinery and equipment is included within "administrative expenses" in the consolidated income statement during the financial year. The impairment charge arose because the net book value of the machinery and equipment exceeded the fair value less cost of disposal of the asset. The fair value of the asset was determined based on the selling price agreed with the buyer of the machinery and equipment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

19. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Machinery and equipment	Furniture, office equipment and motor vehicles	Total
	\$'000	\$'000	\$'000
Company			
2022			
<i>Cost</i>			
Beginning of financial year	20	392	412
Additions	10	-	10
End of financial year	30	392	422
<i>Accumulated depreciation</i>			
Beginning of financial year	(4)	(22)	(26)
Depreciation charge	(6)	(54)	(60)
End of financial year	(10)	(76)	(86)
Net book value			
End of financial year	20	316	336
2021			
<i>Cost</i>			
Beginning of financial year	6	-	6
Additions	14	392	406
End of financial year	20	392	412
<i>Accumulated depreciation</i>			
Beginning of financial year	(1)	-	(1)
Depreciation charge	(3)	(22)	(25)
End of financial year	(4)	(22)	(26)
Net book value			
End of financial year	16	370	386

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

20. INVESTMENT PROPERTIES

	Building and other costs	Right-of-use assets	Total
	\$'000	\$'000	\$'000
Group			
2022			
<i>Cost</i>			
Beginning of financial year	71,494	28,070	99,564
Additions (a)	6,459	-	6,459
Currency translation differences	352	326	678
End of financial year	78,305	28,396	106,701
<i>Accumulated depreciation</i>			
Beginning of financial year	13,426	3,550	16,976
Depreciation charge	1,754	777	2,531
Currency translation differences	7	15	22
End of financial year	15,187	4,342	19,529
Net book value			
End of financial year	63,118	24,054	87,172
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

(a) Included in additions are interest capitalised of \$645,000 (2021: \$Nil).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

20. INVESTMENT PROPERTIES (cont'd)

The following amounts are recognised in profit and loss:

	Group	
	2022 \$'000	2021 \$'000
Rental income	7,823	24,350
Direct operating expenses arising from:		
- Investment properties that generate rental income	2,338	5,445

As at 31 March 2022, the details of the Group's investment properties is as follows:

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

As at 31 March 2022, investment properties amounting to \$33,777,000 were pledged to banks for banking facilities (Note 29).

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 \$111,236,000 (2021: \$88,174,000), 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 fair values of investment properties are within Level 3 of the fair value hierarchy.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

21. LEASES – THE GROUP AS A LESSEE

Nature of the Group's leasing activities

The Group leases leasehold land for use as investment properties in Singapore, the People's Republic of China and the Socialist Republic of Vietnam for remaining lease periods ranging from 3 to 35 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, 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 22 years, with option to extend a further 30 years for one of the leases.

For the Group's properties located in the People's Republic of China and the Socialist Republic of Vietnam, the Group is required to pay to external land owners annual land rent in respect of certain of land use as investment properties. The annual land rent is based on contracted lease agreement, with escalation clauses.

The right-of-use of the land for investment properties is presented within investment properties (Note 20).

The right-of-use of the leased lands, leased buildings, leased machinery 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
2022							
Net Book Value							
Beginning of financial year	382	12,389	136	297	13,204	24,520	37,724
Reclassification	(24)	-	24	-	-	-	-
Additions	165	1,484	-	29	1,678	-	1,678
Depreciation charge (Note 7)	(311)	(4,043)	(45)	(108)	(4,507)	(777)	(5,284)
Disposals	-	(1,686)	-	-	(1,686)	-	(1,686)
Currency translation differences	-	(110)	(2)	-	(112)	311	199
End of financial year	212	8,034	113	218	8,577	24,054	32,631

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

21. 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
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	-	(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

In 2021, 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 was not part of the terms and conditions of the original lease contract, it was accounted for as a lease modification with an addition to the right-of-use assets.

(b) *Interest expense*

	2022 \$'000	2021 \$'000
Interest expense on lease liabilities charged to profit or loss	1,727	2,818
Interest expense on lease liabilities capitalised within investment properties	645	-

(c) *Lease expense not capitalised in lease liabilities*

	2022 \$'000	2021 \$'000
Lease expense – short-term leases	570	481

(d) Total cash outflow for all the leases for the financial year ended 31 March 2022 was \$9,874,000 (2021: \$10,197,000).

(e) *Extension options*

The leases for certain 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 2022

22. LEASES – THE GROUP AS A LESSOR

Nature of the Group leasing activities – Group as a lessor

The Group has leased out investment properties 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 operating leases contracted for at the end of the reporting date but not recognised as receivable, are as follows:

	Group	
	2022 \$'000	2021 \$'000
Less than one year	7,107	6,047
One to two years	6,878	4,012
Two to three years	5,220	2,675
Three to four years	2,104	2,051
Four to five years	1,774	438
More than five years	9,969	-
	33,052	15,223

Lease income from investment properties is disclosed in Note 20.

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 \$691,000 (2021: \$719,000).

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	Group	
	2022 \$'000	2021 \$'000
Less than one year	1,126	1,126
One to two years	1,126	1,126
Two to three years	1,126	1,126
Three to four years	1,126	1,126
Four to five years	1,126	1,126
More than five years	26,754	27,880
Total undiscounted lease payments	32,384	33,510
Less: Unearned finance income	(11,500)	(12,286)
Net investment in finance lease	20,884	21,224
Current	522	430
Non-current	20,362	20,794
Total	20,884	21,224

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

23. INTANGIBLE ASSETS

	Trademarks	Contract backlogs	Software development ^(a)	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
2022					
<i>Cost</i>					
Beginning of financial year	1,295	951	1,697	480	4,423
Currency translation differences	(18)	-	-	-	(18)
Additions	-	-	155	-	155
End of financial year	1,277	951	1,852	480	4,560
<i>Accumulated amortisation</i>					
Beginning of financial year	1,295	846	565	159	2,865
Currency translation differences	(18)	-	-	-	(18)
Amortisation charge (Note 7)	-	105	566	6	677
End of financial year	1,277	951	1,131	165	3,524
<i>Accumulated impairment</i>					
Beginning of financial year	-	-	-	162	162
Impairment charge	-	-	721	-	721
End of financial year	-	-	721	162	883
Net book value					
End of financial year	-	-	-	153	153
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

Amortisation charge was recognised in "administrative expenses" in the consolidated income statement.

- (a) During the current financial year, the Group's subsidiary, which owns the software, continued to incur operating losses arising from the challenges faced in its business. Management performed an assessment of the recoverable amount of the intangible asset and determined its recoverable amount to be \$Nil due to the challenging trading and economic conditions, and departure of key personnel. Accordingly, an impairment loss of \$721,000 was recognised in "administrative expenses" in the consolidated income statement.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

24. INVESTMENTS IN ASSOCIATES

	Group	
	2022 \$'000	2021 \$'000
Beginning of financial year	20,836	18,410
Investment in Boustead Industrial Fund (Note 38(b))	3,150	13,675
Investment in DSCO Group Holdings Pte. Ltd.	624	575
Share of profit, net of tax (Note 10)	1,648	821
Unrealised construction, project management and acquisition fee margins	(161)	(195)
Unrealised gain on disposal due to retained interests - net of tax	(3,343)	(45,376)
Loss accounted for against loans (Note 37(b))	526	833
Reclassification from current liabilities (Note 28)	(1,406)	(58)
Reclassification to non-current liabilities (Note 28)	4,854	32,536
Reclassification	(3,016)	-
Dividend received/receivable	(1,350)	(472)
Share of other comprehensive income	739	892
Currency translation differences	(335)	(805)
End of financial year	22,766	20,836

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 2022.

Boustead Industrial Fund ("BIF") is a private trust that invest in, administer and manage certain investments in logistics, business parks and industrial properties. In addition to equity interest amounting to \$16,825,000 (2021: \$13,675,000), the Group also held Notes issued by BIF amounting to \$72,750,000 (2021: \$59,000,000) as at 31 March 2022. Details of the Notes are disclosed in Note 15.

As at 31 March 2022, the carrying amount of the Group's equity interest in BIF (net of unrealised gain on sale of properties by the Group and its joint ventures) amounting to \$37,390,000 (2021: \$32,536,000) is presented within non-current liabilities (Note 28).

Set out below the summarised financial information for Boustead Industrial Fund.

Summarised statement of financial position

	Boustead Industrial Fund	
	2022 \$'000	2021 \$'000
Current assets	26,719	18,694
Non-current assets	597,603	493,813
Current liabilities	(14,282)	(8,971)
Non-current liabilities	(562,674)	(451,322)
Net assets	47,366	52,214

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

24. INVESTMENTS IN ASSOCIATES (cont'd)

Summarised statement of comprehensive income

	Boustead Industrial Fund	
	2022 \$'000	2021 \$'000
Revenue	42,053	3,112
Loss before income tax	(13,018)	(2,450)
Loss after income tax	(14,460)	(2,486)
Other comprehensive income	1,412	-
Share of loss, net of tax (25%)	(3,615)	(622)
Amortisation of previously capitalised unrealised gains and losses	2,836	51
Share of loss after income tax	(779)	(571)
Share of other comprehensive income	353	-
Share of loss after income tax, representing total comprehensive loss	(426)	(571)
Dividends received from associate	1,100	-

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.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of the Group's interest in material associate is as follows:

	Boustead Industrial Fund	
	2022 \$'000	2021 \$'000
Net assets		
Beginning of financial year	52,214	-
Loss for the financial year	(14,460)	(2,486)
Other comprehensive income for the financial year	1,412	-
Issuance of equity units	12,600	54,700
Dividends paid	(4,400)	-
End of financial year	47,366	52,214
Interest in associate (25%)	11,842	13,054
Unrealised construction, project management and acquisition fee margins*	(415)	(214)
Unrealised gain on disposal of properties due to retained interests*	(48,817)	(45,376)
	(37,390)	(32,536)
Reclassification to non-current liabilities (Note 28)	37,390	32,536
Carrying value	-	-

* The unrealised profit will be recognised in the profit and loss over the useful life of the investment properties held by the associate, on disposal of the investment properties by the associate, or on disposal of the Group's interest in the associate.

As at 31 March 2022, the Group's associates do not have any contingent liabilities and capital commitment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

24. INVESTMENTS IN ASSOCIATES (cont'd)

As at 31 March 2022 and 2021, the carrying amount of the Group's equity investment in an associate is \$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 \$2,131,000 as at 31 March 2022 (2021: \$1,604,000). This is applied against the Group's loan to the associate, within allowance for impairment loss, as disclosed in Note 37(b).

As at 31 March 2021, a subsidiary of the associate had outstanding bank borrowings for its development which the Group granted a proportional corporate guarantee as security. Accordingly, the Group 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. These were presented within current liabilities (Note 28). The outstanding bank loan of the subsidiary of the associate amounted to \$8,490,000 as at 31 March 2021 and had been repaid in 2022 following the disposal of its investment property.

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.

25. INVESTMENTS IN JOINT VENTURES

	Group	
	2022 \$'000	2021 \$'000
Beginning of financial year	70,123	60,707
Capital contribution	1,906	10,720
Capital repayment	(15,000)	(21,334)
Partial disposal of subsidiary	-	14,825
Share of profit, net of tax (Note 10)	12,260	11,780
Unrealised construction and project management margins	(3,433)	(2,050)
Reclassification of unrealised gain on disposal of properties (Note 38(b))	2,835	3,730
Dividends received	(13,832)	(8,362)
Others	7	107
End of financial year	54,866	70,123

Set out below are the significant 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	
			2022	2021
BP-DOJO LLP ⁽¹⁾⁽²⁾	Holding of property for rental income	Singapore	51%	51%
BP-TPM LLP ⁽¹⁾⁽²⁾	Holding of property for rental income	Singapore	51%	51%
BP-Braddell LLP ⁽¹⁾⁽³⁾	Dormant	Singapore	50%	50%
BP-TN Pte. Ltd. ⁽¹⁾⁽²⁾	Holding of property for rental income	Singapore	51%	51%
BP-BBD2 Pte. Ltd. ⁽¹⁾⁽²⁾	Holding of property for rental income	Singapore	51%	51%
BP-Vista LLP ⁽¹⁾⁽³⁾	Dormant	Singapore	30%	30%
BP-Ubi Development Pte. Ltd. and its subsidiary ⁽¹⁾⁽³⁾	Dormant	Singapore	50%	50%

⁽¹⁾ Audited by PricewaterhouseCoopers LLP, Singapore.

⁽²⁾ 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 a joint venture.

⁽³⁾ Became dormant after the transaction with BIF as disclosed in Note 38(c).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

25. INVESTMENTS IN JOINT VENTURES (cont'd)

There are no 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 \$1,282,000 as at 31 March 2022 (2021: \$3,188,000).

The carrying amounts of the Group's material joint ventures are as follows:

	Group	
	2022 \$'000	2021 \$'000
BP-DOJO LLP	10,119	13,749
BP-TPM LLP	12,610	13,365
BP-Braddell LLP	372	11,541
BP-TN Pte. Ltd.	13,915	14,903
BP-BBD2 Pte. Ltd.	9,979	8,332
BP-Vista LLP	*	21
BP-Ubi Development Pte. Ltd. and its subsidiary	*	601
Immaterial joint ventures	7,871	7,611
	54,866	70,123

The Group's share of results of its material joint ventures after eliminating unrealised gain on disposal of properties are as follows:

	Group	
	2022 \$'000	2021 \$'000
BP-DOJO LLP	372	(750)
BP-TPM LLP	990	(332)
BP-Braddell LLP	8,297	(103)
BP-TN Pte. Ltd.	1,298	83
BP-BBD2 Pte. Ltd.	270	*
BP-Vista LLP	*	8,760
BP-Ubi Development Pte. Ltd. and its subsidiary	*	3,610
Immaterial joint ventures	1,033	512
	12,260	11,780

* Not material in financial year ended 31 March 2022 and/or 31 March 2021 respectively.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

25. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised financial information for material joint ventures

Set out below are the summarised financial information for BP-DOJO LLP, BP-TPM LLP, BP-Braddell LLP, BP-TN Pte. Ltd. and BP-BBD2 Pte. Ltd.

Summarised statement of financial position

	BP-DOJO LLP		BP-TPM LLP		BP-Braddell LLP	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 31 March						
Current assets	15,683	14,601	11,836	8,252	1,403	9,578
Includes:						
- Cash and cash equivalents	9,718	8,909	6,406	3,721	1,280	7,864
Non-current assets	164,180	171,282	79,182	82,511	-	105,530
Current liabilities	(7,891)	(6,567)	(1,756)	(2,423)	(659)	(9,520)
Includes:						
- Other liabilities (including trade and other payables)	(7,891)	(6,567)	(1,756)	(2,423)	(659)	(9,520)
Non-current liabilities	(131,636)	(131,641)	(62,243)	(60,693)	-	(75,842)
Includes:						
- Financial liabilities (excluding trade and other payables)	(131,636)	(131,641)	(62,243)	(60,693)	-	(75,842)
Net assets	40,336	47,675	27,019	27,647	744	29,746

	BP-TN Pte. Ltd.		BP-BBD2 Pte. Ltd.		BP-Vista LLP*	BP-Ubi Development Pte. Ltd. and its subsidiary*
	2022	2021	2022	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 31 March						
Current assets	3,889	4,976	8,453	3,172	3,196	2,319
Includes:						
- Cash and cash equivalents	1,344	2,112	3,048	2,571	3,101	2,266
Non-current assets	41,882	44,031	68,352	66,154	-	-
Current liabilities	(1,564)	(1,393)	(2,358)	(2,846)	(3,126)	(1,117)
Includes:						
- Other liabilities (including trade and other payables)	(1,329)	(1,166)	(2,130)	(2,625)	(3,126)	(1,117)
- Financial liabilities (excluding trade and other payables)	(235)	(227)	(228)	(221)	-	-
Non-current liabilities	(8,285)	(8,758)	(51,971)	(48,159)	-	-
Includes:						
- Other liabilities (including trade and other payables)	(1,356)	(1,593)	-	(2,608)	-	-
- Financial liabilities (excluding trade and other payables)	(6,929)	(7,165)	(51,971)	(45,551)	-	-
Net assets	35,922	38,856	22,476	18,321	70	1,202

* These joint ventures are not material to the Group and hence summarised financial information as at 31 March 2022 are not disclosed.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

25. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised statement of comprehensive income

	BP-DOJO LLP		BP-TPM LLP		BP-Braddell LLP	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial year ended 31 March						
Revenue	12,987	11,113	8,576	6,464	4,551	444
Interest income	12	26	-	-	5	4
Other income	1,116	972	2,081	1,753	13,166	10
Expenses	(14,354)	(14,487)	(8,885)	(8,941)	(5,452)	(683)
Includes:						
- Depreciation and amortisation	(7,199)	(7,204)	(4,521)	(4,450)	(2,397)	(315)
- Interest expense	(2,081)	(2,847)	(1,065)	(1,181)	(1,154)	(129)
- Other expenses	(5,074)	(4,436)	(3,299)	(3,310)	(1,901)	(239)
(Loss)/Profit after income tax, representing total comprehensive (loss)/income	(239)	(2,376)	1,772	(724)	12,270	(225)
Share of (loss)/profit, net of tax (51%; 51%; 50%)	(122)	(1,212)	904	(369)	6,135	(113)
Amortisation of previously capitalised unrealised gains and other adjustments	494	462	86	37	2,162	10
Share of profit/(loss) after income tax, representing total comprehensive income/(loss)	372	(750)	990	(332)	8,297	(103)
Dividends received	3,621	-	1,224	-	5,636	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

25. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised statement of comprehensive income (cont'd)

	BP-TN Pte. Ltd.		BP-BBD2 Pte. Ltd.		BP-Vista LLP*	BP-Ubi Development Pte. Ltd. and its subsidiary*
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2021 \$'000	2021 \$'000
Financial year ended 31 March						
Revenue	5,995	493	4,469	-	10,285	2,220
Interest income	1	1	1	2	1	17
Other income	-	-	-	-	20,218	7,447
Expenses	(3,930)	(376)	(4,052)	(28)	(7,066)	(2,365)
Includes:						
- Depreciation and amortisation	(2,148)	(169)	(2,500)	-	(4,064)	(1,040)
- Interest expense	(242)	(21)	(769)	-	(1,387)	(339)
- Other expenses	(22)	(120)	(347)	(28)	(1,615)	(815)
- Income tax expense	(1,518)	(66)	(436)	-	-	(171)
Profit/(Loss) after income tax, representing total comprehensive income/(loss)	2,066	118	418	(26)	23,438	7,319
Share of profit/(loss), net of tax (51%; 51%; 30%; 50%)	1,054	60	213	(13)	7,031	3,660
Amortisation of previously capitalised unrealised gains and other adjustments	244	23	57	-	1,729	(50)
Share of profit/(loss) after income tax, representing total comprehensive income/(loss)	1,298	83	270	(13)	8,760	3,610
Dividends received	2,550	-	-	-	4,133	3,279

* These joint ventures are not material to the Group and hence summarised financial information as at 31 March 2022 are not disclosed.

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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

25. INVESTMENTS IN JOINT VENTURES (cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures, is as follows:

	BP-DOJO LLP		BP-TPM LLP		BP-Braddell LLP	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net assets						
Beginning of financial year	47,675	50,051	27,647	30,306	29,746	23,508
(Loss)/Profit for the financial year	(239)	(2,376)	1,772	(724)	12,270	(225)
Dividends paid	(7,100)	-	(2,400)	-	(11,272)	-
Capital (repayment)/contribution	-	-	-	(1,935)	(30,000)	6,463
End of financial year	40,336	47,675	27,019	27,647	744	29,746
Interests in joint ventures (51%; 51%; 50%)	20,571	24,314	13,780	14,100	372	14,873
Unrealised construction and project management margins	(10,452)	(10,565)	(1,170)	(735)	-	(3,332)
Carrying value	10,119	13,749	12,610	13,365	372	11,541

	BP-TN Pte. Ltd.		BP-BBD2 Pte. Ltd.		BP-Vista LLP *	BP-Ubi Development Pte. Ltd. and its subsidiary *
	2022	2021	2022	2021	2021	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net assets						
Beginning of financial year/period	38,856	38,738 #	18,321	14,762	34,281	11,259
Profit/(Loss) for the financial year/period	2,066	118 #	418	(26)	23,438	7,319
Dividends paid	(5,000)	-	-	-	(13,778)	(6,558)
Capital contribution/(repayment)	-	-	3,737	3,585	(43,871)	(10,818)
End of financial year/period	35,922	38,856	22,476	18,321	70	1,202
Interests in joint ventures (2022: 51%; 51%; 30%, 50%)	18,320	19,817	11,463	9,344	21	601
Unrealised construction and project management margins *	(4,405)	(4,914)	(1,484)	(1,012)	-	-
Carrying value	13,915	14,903	9,979	8,332	21	601

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.

* The unrealised profit will be recognised in the profit and loss over the useful life of the investment properties held by the joint ventures, on disposal of the investment properties by the joint ventures, or on disposal of the Group's interest in the joint ventures.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022 \$'000	2021 \$'000
Equity shares at cost		
Beginning of financial year	96,976	121,587
Additional interest in subsidiaries	5,222	-
Capital injection to a wholly-owned subsidiary	-	4,658
Disposal of a subsidiary	-	(29,269)
End of financial year	102,198	96,976
Less: Allowance for impairment losses	(17,705)	(17,705)
	84,493	79,271
Loans to subsidiaries	21,833	22,188
Less: Allowance for impairment of loans to subsidiaries	(21,525)	(21,317)
	308	871
	84,801	80,142

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.

(a) Movement in the allowance for impairment losses of equity shares:

	Company	
	2022 \$'000	2021 \$'000
Beginning of financial year	17,705	42,316
Disposal of a subsidiary	-	(24,611)
End of financial year	17,705	17,705

(b) Movement in the allowance for impairment of loans to subsidiaries:

	Company	
	2022 \$'000	2021 \$'000
Beginning of financial year	21,317	21,067
Allowance made	208	250
End of financial year	21,525	21,317

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Details of significant subsidiaries as at 31 March 2022 and 2021 are set out below:

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2022 %	2021 %
Significant subsidiaries held by the Company				
Boustead Projects Limited ⁽¹⁾⁽¹¹⁾	Investment holding	Singapore	54.0	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 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. ⁽¹⁾	Investment holding	Singapore	100.0	100.0

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

		Country of business/ incorporation	Equity holding	
Name of entity	Principal activities		2022 %	2021 %
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	54.0	52.7
BP Engineering Solutions Sdn Bhd ⁽⁹⁾⁽¹¹⁾	Provide design, engineering, project management, construction management and property-related services	Malaysia	54.0	52.7
Boustead Projects (Vietnam) Co. Ltd ⁽⁷⁾⁽¹¹⁾⁽¹²⁾	Provide design, engineering, project management, construction management and property-related services	Socialist Republic of Vietnam	54.0	52.7
PIP Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Provide project management, design, construction and property-related services	Singapore	54.0	52.7
BP-EA Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Holding of property for rental income	Singapore	54.0	52.7
BP Lands Sdn Bhd ⁽⁹⁾⁽¹¹⁾	Investment holding	Malaysia	54.0	52.7
Wuxi Boustead Industrial Development Co. Ltd ⁽⁶⁾⁽¹¹⁾	Development of industrial space for lease/sale	People's Republic of China	54.0	52.7
Boustead Real Estate Fund ⁽¹⁾⁽¹¹⁾	Private business trust	Singapore	54.0	52.7
Boustead Trustees Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Trustee for real estate trust	Singapore	54.0	52.7
Boustead Funds Management Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Property fund management	Singapore	54.0	52.7
Boustead Industrial Funds Management Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Property fund management	Singapore	54.0	52.7
Boustead Property Services Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Management of properties	Singapore	54.0	52.7
BIF Property Services Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Property fund management	Singapore	54.0	52.7

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2022 %	2021 %
Significant subsidiaries held by the Company's subsidiaries (cont'd)				
BP-Real Estate Investment Pte. Ltd. ⁽¹⁾⁽¹¹⁾	Investment holding	Singapore	54.0	52.7
BP-TPM1 Pte Ltd ⁽¹⁾⁽¹¹⁾	Investment holding	Singapore	54.0	52.7
BP Xilin Sdn. Bhd. (formerly known as: BP Batu Kawan Sdn Bhd) ⁽¹⁰⁾⁽¹¹⁾	Investment holding	Malaysia	54.0	52.7
BP Aerotech (Subang) Sdn Bhd ⁽¹⁰⁾⁽¹¹⁾	Investment holding	Malaysia	54.0	52.7
BP Malaysia Airports Subang Aerotech Sdn. Bhd. ⁽⁹⁾⁽¹¹⁾	Development of building projects	Malaysia	37.8	36.9
BPMA HS Sdn. Bhd. ⁽⁹⁾⁽¹¹⁾	Development of building projects	Malaysia	37.8	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⁾	Design, engineering and supply of process heater systems and waste heat recovery units	The United Kingdom	100.0	100.0

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of entity	Principal activities	Country of business/ incorporation	Equity holding	
			2022 %	2021 %
Significant subsidiaries held by the Company's subsidiaries (cont'd)				
Boustead International Heaters Pte. Ltd. ⁽¹⁾	Design, engineering and supply of process heater systems and waste heat recovery units	Singapore	100.0	100.0
BIH Heaters Malaysia Sdn Bhd ⁽⁴⁾	Design, engineering and supply of process heater systems and waste heat recovery units	Malaysia	100.0	100.0
BMEC Pte. Ltd. ⁽¹⁾	Distribution of medical and rehabilitation equipment	Singapore	100.0	100.0
BMEC Sleep Care Pte. Ltd. ⁽¹⁾	Distribution of medical devices	Singapore	100.0	100.0
BMEC (HK) Limited ⁽⁸⁾	Distribution of medical and rehabilitation equipment	Hong Kong	100.0	100.0
BMEC 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 PwC (Vietnam) 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⁾ Audited by RSM Vietnam Auditing & Consulting Company, Limited Vietnam in the previous financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Carrying value of non-controlling interests

	2022 \$'000	2021 \$'000
Boustead Projects Limited and its subsidiaries ("BP Group")	180,510	201,368
Other subsidiaries	19,148	17,352
	199,658	218,720

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	
	2022 \$'000	2021 \$'000
Current		
Assets	374,944	416,002
Liabilities	(174,908)	(202,676)
Total current net assets	200,036	213,326
Non-current		
Assets	297,720	308,891
Liabilities	(105,384)	(96,494)
Total non-current net assets	192,336	212,397
Net assets	392,372	425,723

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Summarised consolidated income statement

	BP Group	
	For the financial year ended 31 March	
	2022 \$'000	2021 \$'000
Revenue	339,089	301,405
Profit before income tax	13,841	140,564
Income tax expense	(2,510)	(8,922)
Profit after tax	11,331	131,642
Other comprehensive income/(loss), net of tax	855	(454)
Total comprehensive income	12,186	131,188
Total comprehensive income allocated to non-controlling interests	5,608	62,095
Dividends paid to non-controlling interests	(22,225)	(1,178)

Summarised consolidated cash flows

	BP Group	
	For the financial year ended 31 March	
	2022 \$'000	2021 \$'000
Net cash provided by operating activities	9,444	36,696
Net cash (used in)/provided by investing activities	(51,566)	256,718
Net cash used in financing activities	(42,189)	(123,921)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

27. 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	
	2022 \$'000	2021 \$'000
Deferred income tax assets	15,275	13,602
Deferred income tax liabilities	(1,346)	(788)
	13,929	12,814

The movement in the net deferred income tax account is as follows:

	Group	
	2022 \$'000	2021 \$'000
Beginning of financial year	12,814	2,767
Currency translation differences	(66)	382
Unrealised gain on disposal due to retained interest in BIF	-	(598)
Disposal of subsidiaries	-	1,577
Reclassification	3,016	-
Utilisation of group relief	(3,131)	-
Tax charged to		
- profit or loss (Note 11(a))	1,238	8,552
- other comprehensive income	58	134
End of financial year	13,929	12,814

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 2022, the Group has unrecognised tax losses and unrecognised capital allowances of \$27,353,000 (2021: \$27,140,000) 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 2022, deferred income tax liabilities of \$3,458,000 (2021: \$2,567,000) 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 \$20,201,000 (2021: \$16,312,000) at the reporting date.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

27. 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
2022					
Beginning of financial year	(119)	(146)	(1,386)	(491)	(2,142)
Currency translation differences	5	1	(5)	(1)	-
Credited/(Charged) to profit or loss	95	(59)	(635)	-	(599)
End of financial year	(19)	(204)	(2,026)	(492)	(2,741)
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/(Charged) to profit or loss	667	(23)	2,140	103	2,887
End of financial year	(119)	(146)	(1,386)	(491)	(2,142)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

27. 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	Unrealised gain on disposal due to retained interests in an associate	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	\$'000
2022								
Beginning of financial year	4,337	-	926	618	3,361	5,162	552	14,956
Currency translation differences	1	-	(9)	7	(69)	-	4	(66)
Reclassification	-	3,016	-	-	-	-	-	3,016
Utilisation	-	-	-	-	-	(3,131)	-	(3,131)
(Charged)/Credited to								
- profit or loss	(844)	321	-	1,158	(700)	2,065	(163)	1,837
- other comprehensive income	-	-	-	-	46	-	12	58
End of financial year	3,494	3,337	917	1,783	2,638	4,096	405	16,670
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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Current</i>				
Trade payables	50,268	67,524	-	-
Retention sum payables	21,819	15,772	-	-
Accruals for contract costs	69,365	93,226	-	-
Accruals for operating expenses	38,494	49,793	1,156	2,576
Provision for onerous contracts	11,783	7,413	-	-
Other payables	10,554	10,919	1,737	4,902
Deposits	6,678	4,747	-	-
Advanced billings - property rental income	520	1,091	-	-
Share of accumulated loss in excess of cost of investment in an associate (Note 24)	-	1,406	-	-
Deferred grant income	-	20	-	-
Dividends payable to non-controlling interests	958	793	-	-
	210,439	252,704	2,893	7,478
<i>Non-current</i>				
Retention sum payables	13,958	17,475	-	-
Unrealised gain on disposal due to retained interests in an associate - net (Note 24)	37,390	32,536	-	-
Other payables	1,921	4,079	-	-
	53,269	54,090	-	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

29. BORROWINGS

	Group	
	2022 \$'000	2021 \$'000
Bank borrowings		
- Current	2,494	2,541
- Non-current	13,486	4,427
Total	15,980	6,968

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	
	2022 \$'000	2021 \$'000
6 months or less	8,983	1,968

(a) *Security granted*

Total borrowings include secured liabilities of \$8,983,000 (2021: \$1,968,000) for the Group. As at 31 March 2022, bank borrowings are secured over the Group's investment properties (Note 20) and a banker's guarantee while as at 31 March 2021, bank borrowings were secured over the Group's banker's guarantee.

(b) *Fair value of non-current borrowings*

As at 31 March 2022, carrying amount of non-current borrowings of \$13,486,000 (2021: \$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% (2021: 2%). The borrowing rate is based on an equivalent instrument that the directors expected would be available to the Group at the reporting date.

The fair values of borrowings are within level 2 of the fair values hierarchy.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

30. DERIVATIVE FINANCIAL INSTRUMENTS

	Group			Company		
	Contract notional amount	Fair value		Contract notional amount	Fair value	
	\$'000	Asset \$'000	Liability \$'000	\$'000	Asset \$'000	Liability \$'000
31 March 2022						
<i>Derivatives not held for hedging:</i>						
- Currency forwards	66,247	38	(803)	5,032	101	(64)
		38	(803)		101	(64)
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. PENSION ASSET/(LIABILITY)

The Group operates a funded defined benefit pension scheme in the United Kingdom and an unfunded defined benefit pension scheme in Indonesia.

	Group	
	2022 \$'000	2021 \$'000
The amount recognised in the statement of financial position relates to funded and unfunded plans are as follows:		
Present value of funded obligation	(23,710)	(26,196)
Fair value of plan assets	24,440	26,153
Surplus/(Deficit) of funded plans	730	(43)
Present value of unfunded obligation	(257)	(257)
Total surplus/(deficit) of defined benefit pension plans	473	(300)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

31. PENSION ASSET/(LIABILITY) (cont'd)

(a) Funded defined benefit pension scheme in the United Kingdom

The defined benefit pension scheme is funded by the payment of contributions to a separately administered trust fund.

The pension costs for the defined benefit pension scheme are determined with the advice of an independent qualified actuary. The significant assumptions used were as follows:

	2022	2021
Discount rate (per annum)	2.75%	2.05%
Rate of price inflation (per annum)	3.70%	3.20%
Rate of increase in salaries (per annum)	2.90%	2.85%
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% (2021: 0.10%) decrease in discount rate would increase liabilities by \$356,000 (2021: \$408,000).
- a 0.10% (2021: 0.10%) increase in rate of price inflation would increase liabilities by \$356,000 (2021: \$254,000).
- a 0.25% (2021: 0.25%) increase in mortality long-term rate would increase liabilities by \$249,000 (2021: \$273,000).

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 2022

31. PENSION ASSET/(LIABILITY) (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
2022			
Beginning of financial year	(26,196)	26,153	(43)
Interest expense/(income)	(525)	533	8
Remeasurements:			
- Loss on plan assets, excluding amounts included in interest income	-	(1,236)	(1,236)
- Gain from change in financial assumptions	1,176	-	1,176
- Tax on remeasurement	(223)	235	12
	953	(1,001)	(48)
Currency translation differences	1,199	(1,236)	(37)
Contributions:			
- Employers	-	850	850
Payment from plans:			
- Benefit payments	859	(859)	-
End of financial year	(23,710)	24,440	730
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)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

31. PENSION ASSET/(LIABILITY) (cont'd)

(a) Funded defined benefit pension scheme in the United Kingdom (cont'd)

Plan assets are comprised as follows:

	Group	
	2022 \$'000	2021 \$'000
Multi asset funds	7,561	-
Liability driven investments	8,595	-
Corporate bonds	8,284	9,858
Diversified growth funds	-	10,616
Index-linked gilts	-	5,679
	24,440	26,153

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 \$821,000. Additional contributions will be agreed with the trustees when necessary.

The weighted average duration of the defined benefit obligation is 16 years (2021: 17 years).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

31. PENSION ASSET/(LIABILITY) (cont'd)

(b) *Unfunded defined benefit pension scheme in Indonesia*

The pension costs for the defined benefit pension scheme are determined with the advice of an independent qualified actuary. The significant assumptions used were as follows:

	2022	2021
Discount rate (per annum)	7.40%	7.40%
Rate of increase in salaries (per annum)	4.80%	3.60%
Post-retirement mortality assumption	Indonesia - IV (2019)	Indonesia - IV (2019)

The sensitivity of the defined benefit obligation to changes in the key assumptions is:

- a 1.00% (2021: 1.00%) decrease in discount rate would increase liabilities by \$30,000 (2021: \$31,000).
- a 1.00% (2021: 1.00%) increase in discount rate would decrease liabilities by \$25,000 (2021: \$26,000).

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:

	2022 \$'000	2021 \$'000
Beginning of financial year	(257)	(285)
Current service cost	(62)	(81)
Past service cost	109	-
Interest expense	(19)	(26)
	28	(107)
Remeasurements:		
- (Loss)/Gain from change in demographic assumptions	(26)	105
- Loss from change in financial assumptions	(30)	(31)
- Experience loss/(gain)	(155)	1
- Tax on remeasurement	46	-
	(165)	75
Currency translation differences	(48)	7
Payment from plans:		
- Benefit payments	185	53
End of financial year	(257)	(257)

The average duration of the defined benefit obligation is 11 years (2021: 11 years).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

32. 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

2022

Beginning of financial year	500,067	(16,037)	74,443	(11,766)
Purchase of treasury shares	-	(1,783)	-	(1,739)
End of financial year	500,067	(17,820)	74,443	(13,505)

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)

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

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 for a period of ten years. It expired on 13 October 2021.

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 were 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 have been subjected to performance-based restrictions where eligible participants were invited to participate. Performance-based restricted awards would vest after a further period of service beyond the performance target completion date.

Participants were not required to pay for the grant of the awards. Awards would be 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 2022 and 2021.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

32. SHARE CAPITAL AND TREASURY SHARES (cont'd)

(b) *Employee share plans – Boustead Projects Restricted Share Plan 2016*

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 of BP 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 share awards granted and vested pursuant to the 2016 Share Plan during the financial year are as follows:

	2022	2021
<u>Number of shares</u>		
Beginning of financial year	150,991	815,990
Vested and issued during the financial year	(150,991)	(664,999)
End of financial year	-	150,991

There are no share awards outstanding at the end of the financial year ended 31 March 2022. Share awards outstanding at the end of the financial year ended 31 March 2021 had a weighted average remaining contractual life of less than one month.

The fair value was determined based on the market value of the Company’s shares at the grant date. No share awards were granted during the financial year.

The Company re-issued its treasury shares for share awards vested during the financial year. Cost of the treasury shares re-issued was \$0.81 (2021: \$0.80) each.

(c) *One-off share-based payment to BP’s Directors*

A one-off share-based payment to BP’s Directors by way of transferring a total of 2,400,000 treasury shares at the transfer price of \$0.806 per share was approved by the members of BP at its Extraordinary General Meeting on 28 July 2021.

The fair value of the shares transferred was \$0.474 each, determined based on the market value of BP’s share price of \$1.28 as at 28 July 2021 less off the transfer price of \$0.806 per share. Accordingly, a total share-based payment expense of \$1,137,000 was recognised in the profit and loss during the financial year ended 31 March 2022, of which \$948,000 related to BP’s Directors who are also employees of the Group and \$189,000 related to BP’s non-executive Directors.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

33. OTHER RESERVES

(a) Composition:

	Group		Company	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Foreign currency translation reserve	3,290	6,280	-	-
Share-based compensation reserve	-	65	-	-
Capital reserve	(11,521)	(13,074)	2,398	2,398
Fair value reserve	6,014	5,743	-	-
Hedging reserve	191	-	-	-
	(2,026)	(986)	2,398	2,398

(b) Movement:

	Foreign currency translation reserve \$'000	Share-based compensation reserve \$'000	Capital reserve \$'000	Fair value reserve \$'000	Hedging reserve \$'000	Total \$'000
Group						
2022						
Beginning of financial year	6,280	65	(13,074)	5,743	-	(986)
Share of comprehensive income of associates	386	-	-	-	353	739
Employee share-based compensation						
- Value of employee services	-	1,137	-	-	-	1,137
- Treasury shares reissued by a subsidiary	-	(2)	3,134	-	-	3,132
Purchase of treasury shares by a subsidiary	-	(1,259)	(316)	-	-	(1,575)
Effects of acquisition of shares from non-controlling interests	8	-	-	141	-	149
Fair value gain	-	-	-	240	-	240
Net currency translation differences arising from consolidation	(3,339)	-	-	-	-	(3,339)
Less: Non-controlling interests	(45)	59	(1,265)	(110)	(162)	(1,523)
End of financial year	3,290	-	(11,521)	6,014	191	(2,026)
2021						
Beginning of financial year	(3,952)	335	(12,050)	5,694	-	(9,973)
Share of comprehensive income of associates	892	-	-	-	-	892
Employee share-based compensation						
- Value of employee services	-	33	-	-	-	33
- Treasury shares reissued by a subsidiary	(2)	(2)	(2)	(23)	-	(29)
Purchase of treasury shares by a subsidiary	1	(542)	351	16	-	(174)
Effects of acquisition of shares from non-controlling interests	-	-	-	-	-	-
Disposal of a subsidiary	8	-	(1,154)	-	-	(1,146)
Fair value gain	-	-	-	106	-	106
Net currency translation differences arising from consolidation	10,070	-	-	-	-	10,070
Less: Non-controlling interests	(737)	241	(219)	(50)	-	(765)
End of financial year	6,280	65	(13,074)	5,743	-	(986)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

33. OTHER RESERVES (cont'd)

(b) Movement: (cont'd)

	Capital reserve \$'000
Company	
2022	
Beginning and end of the financial year	2,398
2021	
Beginning and end of the financial year	2,398

Other reserves are non-distributable.

34. RETAINED PROFITS

- (a) Retained profits of the Group are distributable except for accumulated retained profits of associates and joint ventures amounting to \$8,771,000 (2021: \$8,043,000) and 10% of accumulated retained profits of a subsidiary in the People's Republic of China amounting to \$466,000 (2021: \$339,000).
- (b) Retained profits of the Company are distributable. Movement in retained profits for the Company is as follows:

	Company	
	2022 \$'000	2021 \$'000
Beginning of financial year	32,431	36,290
Profit for the financial year	24,196	10,739
Dividends paid (Note 35)	(41,128)	(14,598)
End of financial year	15,499	32,431

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

35. DIVIDENDS

	Company	
	2022 \$'000	2021 \$'000
<u>Ordinary dividend paid</u>		
3.0 cents (2021: 2.0 cents) final tax-exempt (one-tier) cash dividend per ordinary share paid in respect of the previous financial year	14,521	9,743
1.5 cent (2021: 1.0 cent) interim tax-exempt (one-tier) cash dividend per ordinary share paid in respect of the current financial year	7,246	4,855
<u>Special dividend paid</u>		
4.0 cents (2021: Nil cents) special tax-exempt (one-tier) cash per ordinary share paid in respect of the previous financial year	19,361	-
	41,128	14,598

At the Annual General Meeting on 28 July 2022, a final tax-exempt (one-tier) cash dividend of 2.5 cents per ordinary share amounting to approximately \$12,056,000 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 2023.

36. CONTINGENCIES

Contingent liabilities

As at 31 March 2022, 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) As at 31 March 2021, the Group gave guarantees in favour of banks in respect of loan facilities granted to a subsidiary of an associate. The outstanding guarantee then amounted to \$2,972,000.
- (ii) The Company has given guarantees in favour of banks in respect of loan facilities granted to a subsidiary. The outstanding guarantees amounting to \$625,000 (2021: \$1,916,000) 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 \$4,744,000 at the reporting date (2021: \$6,126,000).
- (iv) The Group and the Company have procured performance guarantees amounting to \$118,989,000 (2021: \$115,761,000) and \$564,000 (2021: \$274,000) respectively issued by banks in favour of third parties in respect of performance on contracts with customers.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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 2022

37. 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 2022					
Financial assets					
Cash and cash equivalents	21,784	8,859	128	916	-
Trade receivables	44,796	-	-	7,339	-
Other receivables and prepayments	1,353	-	32	-	-
Investment securities	8,408	-	-	-	-
Intercompany receivables	24,947	7,986	5,834	-	-
	101,288	16,845	5,994	8,255	-
Financial liabilities					
Trade and other payables	(22,688)	(5)	(39)	(1,755)	-
Intercompany payables	(25,881)	(437)	(58)	-	(70,539)
	(48,569)	(442)	(97)	(1,755)	(70,539)
Less: Derivative financial instruments	(1,203)	-	-	(7,259)	-
Currency exposure of financial assets/(liabilities)	51,516	16,403	5,897	(759)	(70,539)
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/(Less): 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)

⁽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 2022

37. 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 2022		31 March 2021	
	USD	AUD	USD	AUD
	\$'000	\$'000	\$'000	\$'000
Company				
Financial assets				
Cash and cash equivalents	1,334	-	141	469
Investment securities	7,867	-	5,183	2,812
	9,201	-	5,324	3,281
Financial liabilities				
Intercompany payable	-	(70,100)	-	-
	-	(70,100)	-	-
Less: Derivative financial instruments	(5,032)	-	-	(3,979)
Currency exposure of financial assets/(liabilities)	4,169	(70,100)	5,324	(698)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The following table details the sensitivity to a 10% (2021: 10%) increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% (2021: 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% (2021: 10%) change in foreign currency rates.

If the relevant foreign currency change against the SGD by 10% (2021: 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 2022	31 March 2021
	Profit after tax	Profit after tax
	\$'000	\$'000

Group

USD against SGD		
- Strengthened	4,276	3,398
- Weakened	(4,276)	(3,398)
MYR against SGD		
- Strengthened	489	489
- Weakened	(489)	(489)
EUR against SGD		
- Strengthened	(63)	(2,434)
- Weakened	63	2,434
AUD against SGD		
- Strengthened	(5,855)	(3,411)
- Weakened	5,855	3,411
SGD against IDR		
- Strengthened	222	176
- Weakened	(222)	(176)
SGD against GBP		
- Strengthened	1,174	757
- Weakened	(1,174)	(757)

Company

USD against SGD		
- Strengthened	346	442
- Weakened	(346)	(442)
AUD against SGD		
- Strengthened	(5,818)	(3,343)
- Weakened	5,818	3,343

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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% (2021: 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 2022		31 March 2021	
	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	-	3,166	-	3,142
- decreased by	-	(3,166)	-	(3,142)

Financial assets, at FVPL

Quoted equity securities

- increased by	713	-	-	-
- decreased by	(713)	-	-	-

Unquoted debt securities

- increased by	6,228	-	-	-
- decreased by	(6,228)	-	-	-

Unquoted equity securities

- increased by	327	-	655	-
- decreased by	(327)	-	(655)	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(ii) Price risk (cont'd)

← Increase/(Decrease) →				
31 March 2022			31 March 2021	
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	713	-	-	-
- decreased by	(713)	-	-	-

Unquoted equity securities

- increased by	171	-	518	-
- decreased by	(171)	-	(518)	-

(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 subsidiary of an associate 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 0.38% with all other variables including tax rate being held constant, the Group's profit after tax would have been lower/higher by \$28,000 (2021: lower/higher by \$123,000) as a result of higher/lower interest income from loans to an associate and a subsidiary of an associate and higher/lower interest expense on borrowings. If the SGD interest rates had been higher/lower by 1% with all other variables including tax rate being held constant, the Company's profit after tax would have been lower/higher by \$1,110,000 (2021: lower/higher by \$496,000), as a result of higher/lower interest income on loans to subsidiaries and higher/lower interest expense on loans from subsidiaries.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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 is one (2021: four) external customer which individually represents 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 a subsidiary, a joint venture and a subsidiary of an associate, as disclosed in Note 36(i) and Note 36(ii) 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	Contract assets	Loan to an associate	Other receivables	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
2022					
Beginning of financial year	27,050	96	4,049	5,135	36,330
Currency translation differences	7	(4)	-	-	3
Loss allowance recognised in profit or loss during the year on:					
- Allowance made	2,227	-	452	473	3,152
Loss accounted for against loans (Note 24)	-	-	526	-	526
End of financial year	29,284	92	5,027	5,608	40,011
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 24)	-	-	833	-	833
Write off	-	(906)	-	-	(906)
End of financial year	27,050	96	4,049	5,135	36,330

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Credit risk (cont'd)

Trade receivables and contract assets

In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Some of the forward-looking macroeconomic factors include:

- Historical financial and default rate of the customer
- Any publicly available information on the customer
- Any 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.

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 March 2022 and 31 March 2021 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 2022					
Expected loss rate	-	-	-	81.6%	
Trade receivables	90,637	4,614	1,982	35,620	132,853
Loss allowance	(137)	(73)	-	(29,074)	(29,284)
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)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Credit risk (cont'd)

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.

(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 18.

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 18) 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.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Liquidity risk (cont'd)

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the end of the reporting date 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 2022			
Trade and other payables	209,919	15,879	-
Borrowings	2,829	6,397	8,092
Lease liabilities	5,794	18,331	73,771
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	-	-
Company			
At 31 March 2022			
Trade and other payables	2,893	-	-
Loans from subsidiaries	143,238	-	-
Financial guarantees	2,120	-	-
At 31 March 2021			
Trade and other payables	7,478	-	-
Loans from subsidiaries	89,188	-	-
Financial guarantees	1,916	-	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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 2022	
Gross-settled currency forwards	
- Receipts	65,679
- Payments	(66,444)
At 31 March 2021	
Gross-settled currency forwards	
- Receipts	73,745
- Payments	(72,645)
Company	
At 31 March 2022	
Gross-settled currency forwards	
- Receipts	5,031
- Payments	(4,994)
At 31 March 2021	
Gross-settled currency forwards	
- Receipts	5,028
- Payments	(5,123)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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 2022 and 31 March 2021.

(e) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Group	Company
	\$'000	\$'000
31 March 2022		
Financial assets, at FVPL	72,712	8,942
Financial liabilities, at FVPL	803	64
Financial assets, at FVOCI	31,611	-
Financial assets, at amortised cost	661,863	130,674
Financial liabilities, at amortised cost	293,744	145,595
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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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 2022				
<i>Assets</i>				
Investment securities	7,131	1,710	95,494	104,335
Derivative financial instruments	-	38	-	38
Total assets	7,131	1,748	95,494	104,373
<i>Liabilities</i>				
Derivative financial instruments	-	(803)	-	(803)
Total liabilities	-	(803)	-	(803)
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)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

37. 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 2022				
<i>Assets</i>				
Investment securities	7,131	1,710	-	8,841
Derivative financial instruments	-	101	-	101
Total assets	7,131	1,811	-	8,942
<i>Liabilities</i>				
Derivative financial instruments	-	(64)	-	(64)
Total liabilities	-	(64)	-	(64)
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)

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 2022

37. 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
2022			
Beginning of financial year	31,421	-	1,364
Purchases	-	58,500	136
Disposal	-	-	(16)
Fair value gain recognised in profit or loss	-	3,777	65
Fair value gain recognised in other comprehensive income	240	-	-
Currency translation difference	-	-	7
End of financial year	31,661	62,277	1,556
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

Details of inputs used in Level 3 fair value measurements are as follows:

Valuation technique	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
Discounted cash flow approach and market approach	Credit-adjusted discount rate	10% (2021: Nil%)	The higher the credit-adjusted discount rate, the lower the fair value.
	Sale price of property	\$515,000,000 (2021: \$Nil)	The higher the sale price, the higher the fair value.
Income capitalisation approach and asset based valuation	Capitalisation rate	4% - 5% (2021: 4% - 5%)	The higher the capitalisation rate, the lower the fair value.
	Discount for lack of control	20% (2021: 20%)	The higher the discount for lack of control, the lower the fair value.

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 2022

38. 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	
	2022 \$'000	2021 \$'000
Lease payment to an associate	(1,693)	(69)
Lease payment to joint ventures	(362)	(1,649)
Purchase of goods	-	(1,071)
Payments made on behalf and reimbursement of expenses to an associate	-	(26)
Management fee from an associate	24	24
Sale of goods to associates	1,107	1,295
Assets, acquisition and property management fees from an associate*	3,243	1,116
Asset, property and lease management fees from joint ventures	3,638	2,527
Project and development management fees from joint ventures*	106	529
Construction contract revenue from joint ventures*	7,053	29,444
Rental rebate from joint ventures	-	509
Interest income from:		
- Associates	5,051	1,104
- A subsidiary of an associate	142	338
- A joint venture	-	164

* Transaction values disclosed are after elimination of the Group's shares in the transaction.

(b) Disposal of property by a joint venture

On 30 November 2021, BP-Braddell LLP, a 50.0% joint venture of the Group, disposed its investment property to the Group's associate, Boustead Industrial Fund ("BIF").

The Group's share of the consideration from the disposal amounted to \$20,636,000 which had been fully received.

The Group used part of the cash consideration to subscribe for notes amounting to \$13,750,000 and 25% equity units amounting to \$3,150,000 issued by BIF.

Total gains on the transaction, net of unrealised gain arising from retained interest in BIF, recognised by the Group during the financial year ended 31 March 2022 are as follows:

	Group
	2022 \$'000
Share of gain on disposal of property by a joint venture	11,338
Less: unrealised gain due to retained interest in BIF	(2,835)
	8,503

After considering tax, the net gain on the transaction recognised by the Group during the financial year 31 March 2022 is \$6,875,000.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

38. RELATED PARTY TRANSACTIONS (cont'd)

(c) Disposal/partial disposal of properties, a subsidiary and joint ventures to Boustead Industrial Fund

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 relation to sale of interest in Turbo and \$3,800,000 in relation to sale of a property, remained outstanding, subject to the finalisation of certain conditions. During the financial year ended 31 March 2022, all amounts had been received except for the amount of \$3,800,000 relating to the sale of a property. The receipt of this amount is subject to certain conditions as agreed between BIF and the Group.

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:

	Group 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 provided a 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 estimated and recognised a provision for rental guarantee payable amounting to \$2,793,000 as at 31 March 2021. \$1,759,000 were paid to BIF during the financial year ended 31 March 2022 with \$271,000 remaining as unpaid as at 31 March 2022.

BIF is committed to acquire the Group's 50% interest in BP-CA3 LLP after the expiry of assignment prohibition period imposed by JTC Corporation in 2025.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

38. RELATED PARTY TRANSACTIONS (cont'd)

(d) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2022 \$'000	2021 \$'000
Short-term benefits	17,059	15,177
Post-retirement benefits	1,076	819
Share-based compensation expense	1,137	14
	19,272	16,010

39. 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 for the global oil & gas, petrochemical sectors.
- (ii) Real Estate : Smart eco-sustainable real estate solutions including engineering & construction ("E&C"), investment, development management, asset management, leasing management and fund management for business park and industrial developments in Singapore, China, Malaysia and Vietnam.
- (iii) Geospatial : Exclusive distribution, professional services and solutions related to Esri ArcGIS, the world's leading geographic information system, smart mapping and location analytics platform – for major markets across Australia and parts of South-east Asia.
- (iv) Healthcare : Distribution, services and solutions related to niche innovative medical solutions that address age-related chronic diseases and mobility issues, with a focus on rehabilitative care and sports science in the Asia Pacific.
- (v) HQ activities : Management of the Group's divisions to maximise shareholders' returns.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

39. SEGMENT INFORMATION (cont'd)

(a) Segment revenue and results

The segment information for the reportable segments are as follows:

	Energy Engineering		Real Estate		Geospatial		Healthcare		HQ activities		Group	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue												
External sales	112,306	198,420	339,089	301,405	168,319	170,357	11,956	15,188	-	-	631,670	685,370
Dividend income	-	-	-	-	-	-	-	-	141	340	141	340
Total revenue	112,306	198,420	339,089	301,405	168,319	170,357	11,956	15,188	141	340	631,811	685,710
Results												
Segment results	15,811	27,892	(5,341)	129,377	37,087	40,031	(6,626)	(1,844)	(5,764)	(4,692)	35,167	190,764
Share of profit of associates and joint ventures	-	-	13,349	11,060	-	-	559	1,541	-	-	13,908	12,601
Interest income	47	75	7,203	3,348	256	363	4	5	602	974	8,112	4,765
Finance expense											(1,952)	(3,835)
Profit before income tax											55,235	204,295
Income tax expense											(16,448)	(25,440)
Total profit											38,787	178,855
Segment results include:												
Depreciation expense	954	980	4,388	9,263	3,490	3,351	1,332	1,198	717	688	10,881	15,480
Amortisation of intangible assets	-	-	6	6	-	336	671	856	-	-	677	1,198
Impairment loss on intangible assets	-	-	-	-	-	-	721	-	-	-	721	-
Impairment loss on property, plant and equipment	-	-	962	-	-	-	-	-	-	-	962	-

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment result represents profit earned by each segment without allocation of interest income, finance expense and income tax expense. This is the measure reported to senior management for the purposes of resource allocation and assessment of segment performance.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

39. SEGMENT INFORMATION (cont'd)

(b) Segment assets and liabilities

	Energy Engineering		Real Estate		Geospatial		Healthcare		HQ activities		Group	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Segment assets												
Segment assets	127,751	155,132	516,525	569,024	137,722	156,517	11,949	21,447	110,224	81,832	904,171	983,952
Investments in associates	-	-	5,659	4,671	-	-	17,107	16,165	-	-	22,766	20,836
Investments in joint ventures	-	-	54,866	70,123	-	-	-	-	-	-	54,866	70,123
Loan to associates	-	-	13,184	13,791	-	-	-	-	1,353	2,896	14,537	16,687
Notes issued by an associate	-	-	72,750	59,000	-	-	-	-	-	-	72,750	59,000
Deferred income tax assets											15,275	13,602
Consolidated total assets											1,084,365	1,164,200
Additions to:												
- investment securities	-	-	58,500	-	-	-	-	-	-	-	58,500	-
- notes issued by an associate	-	-	13,750	59,000	-	-	-	-	-	-	13,750	59,000
- property, plant and equipment	407	560	638	638	1,470	970	1,028	459	52	425	3,595	3,052
- investment properties	-	-	6,459	8,464	-	-	-	-	-	-	6,459	8,464
- intangible assets	-	-	-	-	-	-	155	681	-	-	155	681
- investments in associates	-	-	3,774	14,251	-	-	-	-	-	-	3,774	14,251
- investments in joint ventures	-	-	1,906	10,720	-	-	-	-	-	-	1,906	10,720
Segment liabilities												
Segment liabilities	42,656	67,974	224,979	244,203	109,761	101,768	10,011	9,774	2,865	9,866	390,272	433,585
Unrealised gain on disposal due to retained interest	-	-	36,143	32,536	-	-	-	-	-	-	36,143	32,536
Share of accumulated loss	-	-	1,399	1,406	-	-	-	-	-	-	1,399	1,406
Income tax payable											21,981	30,212
Deferred income tax liabilities											1,346	788
Consolidated total liabilities											451,141	498,527

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 2022

39. SEGMENT INFORMATION (cont'd)

(c) Geographical information

The Group operates in six primary geographical areas – Singapore, Malaysia, rest of Asia Pacific, Australia, United States of America (“USA”), North and South America (excluding USA), 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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Singapore	293,855	248,158	130,231	154,234
Australia	116,007	128,761	14,063	25,880
Malaysia	93,307	87,477	668	1,451
USA	21,705	51,013	-	-
Europe	27,942	68,851	4,316	4,645
Rest of Asia Pacific	38,176	41,744	46,792	41,281
North and South America (excluding USA)	21,085	31,417	-	-
Middle East and Africa	19,734	28,289	171	208
Group	631,811	685,710	196,241	227,699

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 2022, two external customer from the Group’s Real Estate segment accounted for more than 10% of the Group’s revenue. The customers contributed \$64,507,000 and \$65,835,000 respectively in revenue to the Group.

For the financial year ended 31 March 2021, no single external customer accounted for 10% or more of the Group’s revenue.

40. EVENTS OCCURRING AFTER REPORTING DATE

- (i) On 21 April 2022, the Group disposed of its entire shareholdings in its wholly-owned subsidiaries, BMEC Sleep Care Pte. Ltd. and WhiteRock Medical (China) Ltd. for a nominal cash consideration of S\$1 and RMB1 respectively, which was arrived at after arm’s length negotiations and on a willing buyer willing seller basis. The disposals are not expected to have a material financial impact for the financial year ending 31 March 2023.
- (ii) On 5 May 2022, the Group’s subsidiary, BP-Vietnam Development Pte. Ltd. (“BP-VD”) entered into strategic collaboration arrangements with Khai Toan Joint Stock Company (“KTG”) to acquire, develop and own a portfolio of logistics and industrial properties in Vietnam. Pursuant to the collaboration, BP-VD will acquire 60.0% of the issued and paid-up share capital in KTG & Boustead Joint Stock Company (“KBJSC”), which owns a portfolio of logistics and industrial properties in Vietnam, from KTG. The consideration for 60.0% stake in KBJSC amounted to approximately \$38,070,000 and was arrived at on a willing-buyer, willing seller basis. The consideration would be settled subject to the finalisation of certain conditions.
- (iii) On 24 June 2022, the Group’s newly incorporated 50%-owned joint venture, Bideford House Pte. Ltd. entered into a sale and purchase agreement to acquire a mixed development property for a consideration of \$515,000,000. See further details in Note 18(a). The consideration will be funded by Bideford House Pte. Ltd. via external bank financing as well as shareholders’ loans.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

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 2022 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 30 June 2022.

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 energy sector.

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 energy 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

Executive Deputy Chairman: Wong Yu Wei
Managing Director: Thomas Chu

Boustead Projects Limited (“Boustead Projects”) is a leading provider of innovative eco-sustainable real estate solutions with a regional presence. Boustead Projects’ core businesses are uniquely integrated to support the ecosystem of diversified classes of real estate, 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 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 Certification Scheme and a national champion of best practices for transformation, quality, environmental, and workplace safety and health (“WSH”) management. BP E&C’s related achievements include being the first and only SkillsFuture Queen Bee for the built environment sector, quality leader on the BCA CONQUAS all-time top 100 industrial projects list and among only eight bizSAFE Mentors, 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 headquarters in Brisbane and branch offices in 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

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

Chief Executive Officer: Joe Lee

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

Country Manager: Christanto Yanuar

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 headquarters in Jakarta and branch offices in 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

Boustead Medical Care Holdings provides innovative medical solutions that address 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. Boustead Medical Care Holdings comprises wholly-owned subsidiary, BMEC Pte Ltd in Singapore and 50%-owned associate, Beijing Pukang Sport & Medical Co Ltd in China.

BMEC Pte Ltd

82 Ubi Avenue 4
#08-03 Edward Boustead Centre
Singapore 408832

Main: +65 6305 2525
Web: www.bmec.asia

Acting Chief Executive Officer: Don Quah

BMEC provides innovative medical solutions that address age-related chronic diseases and mobility issues across the continuum of long-term care, with a focus on rehabilitative care and sports science. BMEC has headquarters in Singapore and subsidiaries, associates and branch offices in Hong Kong, Malaysia and Thailand.

Statistics of Shareholdings

AS AT 17 JUNE 2022

SHARE CAPITAL

Number of ordinary shares	: 481,700,729 *
Number/Percentage of treasury shares	: 18,366,500 (3.81%)
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	269	5.22	10,387	0.00
100 - 1,000	457	8.87	294,297	0.06
1,001 - 10,000	2,723	52.82	14,641,093	3.04
10,001 - 1,000,000	1,681	32.61	78,020,684	16.20
1,000,001 AND ABOVE	25	0.48	388,734,268	80.70
TOTAL	5,155	100.00	481,700,729	100.00

LOCATION OF SHAREHOLDERS

Country	No. of Shareholders	%	No. of Shares	%**
SINGAPORE	4,843	93.95	476,755,916	98.97
MALAYSIA	254	4.93	3,555,960	0.74
OTHERS	58	1.12	1,388,853	0.29
TOTAL	5,155	100.00	481,700,729	100.00

Statistics of Shareholdings

AS AT 17 JUNE 2022

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%**
1	DBS NOMINEES (PRIVATE) LIMITED	226,920,424	47.11
2	RAFFLES NOMINEES (PTE.) LIMITED	51,658,688	10.72
3	HSBC (SINGAPORE) NOMINEES PTE LTD	28,558,909	5.93
4	CITIBANK NOMINEES SINGAPORE PTE LTD	25,095,762	5.21
5	IFAST FINANCIAL PTE. LTD.	13,359,680	2.77
6	HELEN TAN CHENG HOONG	5,166,000	1.07
7	UOB KAY HIAN PRIVATE LIMITED	5,067,802	1.05
8	MAYBANK SECURITIES PTE. LTD.	4,220,118	0.88
9	PHILLIP SECURITIES PTE LTD	2,735,486	0.57
10	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,603,970	0.54
11	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	2,488,518	0.52
12	JACK INVESTMENT PTE LTD	2,062,392	0.43
13	ABN AMRO CLEARING BANK N.V.	1,930,944	0.40
14	YEO KER KUANG	1,812,355	0.38
15	HENG SIEW ENG	1,687,133	0.35
16	CHAN CHEE WENG	1,621,076	0.34
17	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	1,620,000	0.34
18	YEO BOON LI CAROLINE	1,588,133	0.33
19	SOH KOK BENG LEONARD	1,450,078	0.30
20	DEPUTY OF HO CHEE POEY	1,350,352	0.28
Total		382,997,820	79.52

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest	%	Deemed Interest	%**
Wong Fong Fui	-	-	205,798,032 ⁽¹⁾	42.72
Abigail P. Johnson	-	-	47,897,664 ⁽²⁾	9.94
FMR LLC	-	-	47,897,664 ^{(1) (3)}	9.94
Fidelity Management & Research Company LLC	-	-	43,463,689 ⁽¹⁾	9.02

Notes:

⁽¹⁾ The deemed interests of these Substantial Shareholders are held through nominees.

⁽²⁾ Abigail P. Johnson, through her not less than 20% shareholding in FMR LLC, is deemed to have an interest in the shares held indirectly by FMR LLC.

⁽³⁾ FMR LLC is deemed to be interested in the shares held indirectly by its subsidiary, Fidelity Management & Research Company LLC.

SHAREHOLDINGS IN THE HANDS OF THE PUBLIC

The percentage of shareholdings in the hands of the public as at 17 June 2022 was approximately 46.66%**. 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 Thursday, 28 July 2022 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 2022 and the Independent Auditors’ Report thereon.

Resolution 1

2. To approve a final tax-exempt (one-tier) dividend of 2.5 cents per ordinary share for the year ended 31 March 2022.

Resolution 2

3. To re-elect Mr Mak Lye Mun retiring under Article 98 of the Company’s Constitution.

Note:

Mr Mak Lye Mun will, upon re-election as a director of the Company, remain as the Chairman of the Remuneration Committee and 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.

Resolution 3

4. To re-elect the following directors retiring under Article 94 of the Company’s Constitution.

- a. Dr Tan Khee Giap

Resolution 4

- b. Mr Godfrey Ernest Scotchbrook

Resolution 5

Note:

Dr Tan Khee Giap will, upon re-election as a director of the Company, remain as the Chairman of the Audit & Risk Committee and member of the Nominating Committee and Remuneration Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

Mr Godfrey Ernest Scotchbrook will, upon re-election as a director of the Company, remain as the Chairman of the Nominating Committee and member of the Audit & Risk Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

[See Explanatory Note 1]

5. That contingent upon the passing of Ordinary Resolution 5 above, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the Singapore Exchange Securities Trading Limited, shareholders to approve Mr Godfrey Ernest Scotchbrook (“Mr Scotchbrook”)’s re-election as an Independent Director, this Resolution to remain in force until the earlier of Mr Scotchbrook’s retirement or resignation; or the conclusion of the third annual general meeting following the passing of this Resolution.

[See Explanatory Note 2]

Resolution 6

That contingent upon the passing of Ordinary Resolutions 5 and 6 above, pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the Singapore Exchange Securities Trading Limited, shareholders (excluding the Directors and the Chief Executive Officer (“CEO”) of the Company, and associates of such Directors and CEO) to approve Mr Godfrey Ernest Scotchbrook (“Mr Scotchbrook”)’s re-election as an Independent Director, this Resolution to remain in force until the earlier of Mr Scotchbrook’s retirement or resignation; or the conclusion of the third annual general meeting following the passing of this Resolution.

[See Explanatory Note 2]

Resolution 7

6. To approve directors’ fees of up to \$278,000 for the financial year ending 31 March 2023, payable quarterly in arrears (2022 actual: \$276,000).

[See Explanatory Note 3]

Resolution 8

7. 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 9

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

AS SPECIAL BUSINESS

To consider and, if thought fit to pass with or without modifications, the following ordinary resolutions:

8. Authority to allot and issue shares pursuant to Section 161 of the Singapore Companies Act, Chapter 50 of Singapore ("Companies Act")

That authority be and is hereby given to the directors of the Company ("Directors") 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,

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 4]

Resolution 10

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

9. 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 5 July 2022.

That:

- (i) for the purposes of 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 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 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;
- (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,

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

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 5]

Resolution 11

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 6]

Resolution 12

11. To transact any other business of the Company which may arise.

NOTICE OF RECORD AND PAYMENT DATE FOR FINAL DIVIDEND

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 5 August 2022 for the purpose of determining shareholders' entitlements to the proposed final dividend to be paid on 18 August 2022, subject to and contingent upon shareholders' approval for the proposed dividend being obtained at the forthcoming Annual General Meeting of the Company.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on 5 August 2022 will be registered before entitlements to the dividend are determined.

By Order of the Board

Alvin Kok
Company Secretary
5 July 2022

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. Mr Godfrey Ernest Scotchbrook
Non-Independent Non-Executive Director, 76
(Appointed on 21 September 2000 and last re-appointed on 25 August 2020)

Mr Godfrey Ernest Scotchbrook, if re-elected will remain as the Chairman of the Nominating Committee and member of the Audit & Risk Committee, and will be considered independent. In line with Provision 4.4 of the 2018 Code of Corporate Governance: (a) there are no relationships or business relationships which Mr Scotchbrook, his immediate family member, or an organisation in which Mr Scotchbrook or his immediate family member is a substantial shareholder, partner (with 5% or more stake), executive officer or director has with the Company or any of its related corporations, and (b) Mr Scotchbrook holds directorships in a few other listed companies. The details of his other principal commitments can be found in the Annual Report 2022, under the "Board of Directors" section.

Mr Scotchbrook was appointed as our Independent Non-Executive Director in 2000 and subsequently redesignated as Non-Independent Non-Executive Director in January 2022. 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.

Mr Scotchbrook is currently a Non-Executive Director of Convenience Retail Asia Ltd and Independent Non-Executive director of Del Monte Foods Inc, and Del Monte Pacific Ltd and Del Monte Philippines Inc. He is a Fellow of the British Chartered Institute of Public Relations and Hong Kong Management Association. Mr Scotchbrook founded Scotchbrook Communications Ltd, a firm focused on corporate and financial communications and investor relations.

Additional information on Mr Scotchbrook as required to be furnished pursuant to Rule 720(6) of the Listing Manual of the SGX-ST is also found in the Annual Report 2022, under the "Corporate Governance" section.

2. The Ordinary Resolutions 6 and 7 - Pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company is seeking to obtain shareholders' approval for Mr Godfrey Ernest Scotchbrook's re-election as an independent director, as he has served for more than 9 years on the Board of the Company as at 1 January 2022.

Rule 210(5)(d)(iii) provides that continued appointment as independent director, after an aggregate period of more than 9 years on the board, must be sought and approved in separate resolutions by (a) all shareholders and (b) shareholders excluding directors, chief executive officer, and their associates.

3. The Ordinary Resolution 8 is to allow the Company to pay directors' fees to all non-executive directors in arrears on a quarterly basis.
4. The Ordinary Resolution 10 is to enable the directors to issue shares in the Company up to fifty percent (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 twenty per cent (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.
5. The Ordinary Resolution 11 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 Share Purchases or Off-Market Share 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.
6. The Ordinary Resolution 12 is to allow the directors to issue shares pursuant to the Boustead Scrip Dividend Scheme.

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

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 2022, at <https://go.lumiengage.com/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 12.00 p.m. on 27 July 2022. Members who do not receive an email by 12 p.m. on 27 July 2022, but have registered by the 25 July 2022 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 <https://go.lumiengage.com/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/its 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/its 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 2022.

(2) Submission of Proxy Form

As a precautionary measure due to the current COVID-19 situation in Singapore, a member will not be able to attend the AGM 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 wishes 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 18 July 2022, 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 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; 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 2022, 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.

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.

Notice of Annual General Meeting

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

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/its 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/its names in the Depository Register (as defined in Part IIIAA 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.

(3) Submission of Questions

Members and Investors will be able to ask questions “live” during the webcast of this AGM via an online chat box.

However, as Members will not be able to vote online on the resolutions to be tabled for approval at the AGM but must appoint the Chairman of the AGM his/her/its proxy to vote on his/her/its behalf at the AGM, Members and Investors may submit questions relating to the business of this AGM by 2.30 p.m. on 18 July 2022:

- (a) via the pre-registration website at <https://go.lumiengage.com/bousteadsingaporeagm>;
- (b) by email to bousteadsingapore.agm2022@boustead.sg; or
- (c) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

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 (as may be determined by the Company in its sole discretion) received from Members and Investors prior to or during the AGM. However, as there may not be sufficient time to address all such questions during the AGM itself, the Company may also publish responses to questions which the Company is unable to address during the AGM on the Company's corporate website and on SGX's website at least 72 hours prior to the closing of the proxy submission to the Company. Please note that “live” questions will only be available for “live” audio-visual webcast but not “live” audio-only webcast.

(4) Annual Report and other documents:

The Annual Report for the financial year ended 31 March 2022 (“Annual Report 2022”) which was issued and released on 5 July 2022 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 <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 2022 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 AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out in the Notice of AGM dated 5 July 2022. 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. As a precautionary measure due to the current COVID-19 situation 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 18 July 2022, 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 AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of the AGM dated 5 July 2022.
6. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM 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 Thursday, 28 July 2022 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 2022 and the Independent Auditors' Report.			
Resolution 2	To approve a final tax-exempt (one-tier) dividend of 2.5 cents per ordinary share for the year ended 31 March 2022.			
Resolution 3	To re-elect Mr Mak Lye Mun as a director of the Company.			
Resolution 4	To re-elect Dr Tan Khee Giap as a director of the Company.			
Resolution 5	To re-elect Mr Godfrey Ernest Scotchbrook as a director of the Company.			
Resolution 6	To re-elect Mr Godfrey Ernest Scotchbrook as an independent director by shareholders.			
Resolution 7	To re-elect Mr Godfrey Ernest Scotchbrook as an independent director by shareholders (excluding the directors, chief executive officer, and their associates).			
Resolution 8	To approve directors' fees of up to \$278,000 for the year ending 31 March 2023, payable quarterly in arrears.			
Resolution 9	To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company and to authorise the directors to fix their remuneration.			
Resolution 10	To authorise the directors to allot and issue shares pursuant to Section 161 of the Singapore Companies Act.			
Resolution 11	To approve the proposed renewal of the Share Buy-Back Mandate.			
Resolution 12	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 _____ 2022

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. As a precautionary measure due to the current COVID-19 situation in Singapore, a member will 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 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 18 July 2022.

3. The Chairman of the AGM, as proxy, need not be a member of the Company.
4. The instrument appointing the Chairman of the AGM 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 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; 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 2022, 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.

Members are strongly encouraged to submit completed proxy forms electronically via email.

5. The instrument appointing the Chairman of the AGM 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 AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where an instrument appointing the Chairman of the AGM 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 AGM 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 AGM 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 AGM 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 AGM 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 5 July 2022.

BOUSTEAD SINGAPORE LIMITED

Company Registration Number: 197501036K

82 Ubi Avenue 4
#08-01 Edward Boustead Centre
Singapore 408832
Main: +65 6747 0016
Fax: +65 6741 8689

www.boustead.sg