

Media Coverage

Publication: *The Edge Singapore Digital*

Date: 29 May 2025

Author: The Edge Singapore

OCBC raises fair value for Boustead Singapore to \$1.46 following FY2025

Ada Lim of OCBC Investment Research has kept her “buy” call on Boustead Singapore following its FY2025 earnings that was in line with expectations.

While the company flagged wider economic uncertainties in the near term, Lim believes that the company is disciplined in managing costs and improving capital efficiency.

“We continue to look favourably upon Boustead’s long-term growth profile as its businesses provide exposure to multiple secular trends,” says Lim in her May 29 note, as she raised her fair value on this counter from \$1.39 to \$1.46.

For the year to March 31, Boustead reported revenue of \$527.1 million, down 31% y-o-y, largely because of lower real estate revenue.

Its engineering business was too down by 9% y-o-y on a lower order backlog; its geospatial technology division, meanwhile, was up 4% y-o-y to a record.

However, thanks to a one-off gain of \$29 million from the transfer of its fund and property management business to a joint venture, plus effective cost management, Boustead was able to report a 48% y-o-y jump in earnings to \$95 million.

Besides a final dividend of four cents, Boustead plans to pay a special dividend of two cents, bringing its FY2025 total to 7.5 cents, which implies a yield of 7.2% based on the May 26 closing price of \$1.04.

As at March 31, Boustead’s engineering order book backlog was \$349 million, of which \$126 million and \$223 million were booked under its energy engineering and real estate divisions respectively.

In contrast, its order book as at March 31 2024 was \$247 million.

Boustead Singapore shares changed hands at \$1.13 as at 1.54pm, down 0.88% thus far today but up 9.71% year to date.