

BOUSTEAD SINGAPORE LIMITED
AND ITS SUBSIDIARIES



ENGINEERING THE WORLD OF THE FUTURE

ENERGY-RELATED ENGINEERING • REAL ESTATE SOLUTIONS • GEO-SPATIAL TECHNOLOGY

SGXNET ANNOUNCEMENT
UNAUDITED RESULTS FOR 1Q FY2018
ENDED 30 JUNE 2017



Corporate Profile

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group listed on the SGX. Focusing on the engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute Esri geo-spatial technology – the world's leading geographic information system – to major markets across Australia and parts of South East Asia. Our intelligent mapping platform and digital infrastructure are essential to create smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, we have undertaken infrastructure-related projects in 85 countries and territories globally.

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

Visit us at www.boustead.sg.

BOUSTEAD SINGAPORE LIMITED
(Company Registration No. 197501036K)

Unaudited Financial Statements and Related Announcement for the First Quarter Ended 30 June 2017

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS

- 1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	GROUP First quarter ended		
		30.6.17 \$'000	30.6.16 \$'000	Inc/(Dcr) %
Revenue		90,335	113,706	-21%
Cost of sales		(57,384)	(77,744)	-26%
Gross profit		32,951	35,962	-8%
Other income	1	982	1,324	-26%
Other (losses)/gains – net	2	(1,642)	883	NM
Expenses				
- Selling and distribution		(7,443)	(7,852)	-5%
- Administrative		(14,930)	(15,331)	-3%
- Finance		(483)	(671)	-28%
Share of loss of an associated company and joint ventures		(979)	(444)	120%
Profit before income tax	3	8,456	13,871	-39%
Income tax expense	4	(2,427)	(3,385)	-28%
Total profit		6,029	10,486	-43%
Profit attributable to:				
Equity holders of the Company		2,945	6,989	-58%
Non-controlling interests		3,084	3,497	-12%
		6,029	10,486	-43%

NM – not meaningful

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP		
	First quarter ended		
	30.6.17	30.6.16	Inc/(Dcr)
	\$'000	\$'000	%
Total profit	6,029	10,486	-43%
Other comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Available-for-sale financial assets			
- Fair value gains/(losses)	707	(23)	NM
- Reclassification to profit or loss on disposal	1	104	-99%
Currency translation differences arising from consolidation	644	(3,630)	NM
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement of retirement benefit obligation, net of tax	14	(106)	NM
Other comprehensive income/(loss), net of tax	1,366	(3,655)	NM
Total comprehensive income	7,395	6,831	8%
Total comprehensive income attributable to:			
Equity holders of the Company	4,234	3,608	17%
Non-controlling interests	3,161	3,223	-2%
	7,395	6,831	8%

NM – not meaningful

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP		
	First quarter ended		
	30.6.17	30.6.16	Inc/(Dcr)
	\$'000	\$'000	%
<u>Note 1: Other income</u>			
Interest income	669	1,008	-34%
Sublease income	313	316	-1%
	982	1,324	-26%
<u>Note 2: Other (losses)/gains – net</u>			
Fair value gains on derivative financial instruments and financial assets held for trading	76	520	-85%
Losses on disposal of available-for-sale financial assets	(1)	(104)	-99%
Currency exchange (losses)/gains – net	(1,717)	467	NM
	(1,642)	883	NM
<u>Note 3: The profit before income tax is arrived at after charging the following:</u>			
Depreciation expense	(2,534)	(2,619)	-3%
Employee share-based compensation expense	(209)	-	NM
Amortisation of intangible assets	(55)	(54)	2%
<u>Note 4: Income tax expense</u>			
The provision for income tax is made after taking into account non-deductible expenses and temporary differences, and based on the statutory tax rates of the respective countries. For the current period, the Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17%, mainly due to certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are subject to higher tax rates.			

NM – not meaningful

1.(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Note	GROUP		COMPANY	
		30.6.17 \$'000	31.3.17 \$'000	30.6.17 \$'000	31.3.17 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		299,015	276,499	66,998	68,584
Trade receivables		82,069	100,797	-	-
Other receivables and prepayments		37,921	64,565	295	6,183
Financial assets held for trading		986	994	986	994
Loans to subsidiaries		-	-	15,656	15,237
Inventories		5,049	4,370	-	-
Properties held for sale		30,656	30,612	-	-
Contracts work-in-progress		41,354	28,198	-	-
Available-for-sale financial assets		10,066	250	10,066	250
		507,116	506,285	94,001	91,248
Non-current assets					
Trade receivables		453	-	-	-
Other receivables and prepayments		6,093	6,577	-	-
Available-for-sale financial assets		64,965	65,903	44,446	45,384
Property, plant and equipment		11,176	11,699	-	-
Investment properties		133,204	134,796	-	-
Intangible assets		929	992	74	74
Investments in associated companies		-	-	-	-
Investments in joint ventures		33,038	32,354	-	-
Investments in subsidiaries		-	-	76,267	76,965
Deferred income tax assets		2,886	2,968	-	-
		252,744	255,289	120,787	122,423
Total assets		759,860	761,574	214,788	213,671
LIABILITIES					
Current liabilities					
Trade and other payables		175,156	181,252	1,202	1,098
Income tax payable		13,464	12,946	-	-
Loans from subsidiaries		-	-	46,403	46,097
Contracts work-in-progress		17,446	20,688	-	-
Borrowings	1(b)(ii)	18,095	18,295	-	-
Derivative financial instruments		569	653	569	653
		224,730	233,834	48,174	47,848
Non-current liabilities					
Trade and other payables		8,333	6,883	-	-
Borrowings	1(b)(ii)	68,685	70,059	-	-
Pension liability		2,853	2,936	-	-
Deferred income tax liabilities		3,219	3,204	-	-
		83,090	83,082	-	-
Total liabilities		307,820	316,916	48,174	47,848
NET ASSETS		452,040	444,658	166,614	165,823
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		104,555	104,555	104,555	104,555
Treasury shares		(12,922)	(13,048)	(12,922)	(13,048)
Other reserves		(26,412)	(27,770)	4,121	3,539
Retained profits		261,174	258,215	70,860	70,777
		326,395	321,952	166,614	165,823
Non-controlling interests		125,645	122,706	-	-
Total equity	1(d)(i)	452,040	444,658	166,614	165,823

1.(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable within one year or less, or on demand

As at 30.6.17 \$'000		As at 31.3.17 \$'000	
Secured	Unsecured	Secured	Unsecured
18,095	-	18,295	-

Amount repayable after one year

As at 30.6.17 \$'000		As at 31.3.17 \$'000	
Secured	Unsecured	Secured	Unsecured
68,685	-	70,059	-

Total borrowings of \$86,780,000 (31.3.17: \$88,354,000) are secured over properties held for sale and investment properties of the Group.

- 1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	GROUP	
	First quarter ended 30.6.17 \$'000	30.6.16 \$'000
Cash flows from operating activities		
Profit before income tax	8,456	13,871
Adjustments for:		
- Share of loss of an associated company and joint ventures	979	444
- Depreciation expense	2,534	2,619
- Amortisation of intangible assets	55	54
- Employee share-based compensation expense	209	-
- Loss on disposal of available-for-sale financial assets	1	104
- Fair value gains on derivative financial instruments and financial assets held for trading	(76)	(520)
- Finance expenses	483	671
- Interest income	(669)	(1,008)
- Unrealised currency exchange losses/(gains)	153	(1,645)
	12,125	14,590
Change in working capital, net of effects from acquisition and disposal of subsidiaries:		
- Trade receivables, other receivables and prepayments	18,097	(12,294)
- Inventories and contracts work-in-progress	(17,043)	(7,116)
- Trade and other payables	(4,820)	18,631
- Properties held for sale	(44)	-
Cash provided by operations	8,315	13,811
Interest received	669	1,008
Interest paid	(483)	(671)
Income tax paid	(1,791)	(2,431)
Net cash provided by operating activities	6,710	11,717

- 1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows (cont'd)

	GROUP	
	First quarter ended 30.6.17 \$'000	30.6.16 \$'000
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	9	-
Proceeds from disposal of available-for-sale financial assets	26,145	6,790
Purchase of property, plant and equipment	(411)	(633)
Purchase of available-for-sale financial assets	(4,373)	(5,393)
Proceeds from repayment of loan by a joint venture	-	2,727
Loans to joint ventures	(1,428)	-
Loan to an associated company	(2,247)	-
Net cash provided by investing activities	17,695	3,491
Cash flows from financing activities		
Repurchase of shares	(222)	-
Repayment of borrowings	(1,574)	(1,274)
Dividends received from a joint venture	115	-
Net cash used in financing activities	(1,681)	(1,274)
Net increase in cash and cash equivalents	22,724	13,934
Cash and cash equivalents		
Beginning of financial period	276,499	259,069
Effects of currency translation on cash and cash equivalents	(208)	(1,485)
End of financial period	299,015	271,518

1.(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	(-----Other reserves-----)							Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000				
GROUP											
Balance at 1 April 2017	104,555	(13,048)	1,278	(8,781)	692	(20,959)	(27,770)	258,215	321,952	122,706	444,658
Profit for the period	-	-	-	-	-	-	-	2,945	2,945	3,084	6,029
Other comprehensive income for the period	-	-	708	-	-	567	1,275	14	1,289	77	1,366
Total other comprehensive income for the period	-	-	708	-	-	567	1,275	2,959	4,234	3,161	7,395
Employee share-based compensation											
- Treasury shares re-issued	-	126	-	206	(332)	-	(126)	-	-	-	-
- Value of employee services	-	-	-	-	209	-	209	-	209	-	209
Repurchase of shares by a subsidiary	-	-	-	-	-	-	-	-	-	(222)	(222)
Balance at 30 June 2017	104,555	(12,922)	1,986	(8,575)	569	(20,392)	(26,412)	261,174	326,395	125,645	452,040

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)										
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP											
Balance at 1 April 2016	104,555	(12,600)	303	(9,004)	514	(16,865)	(25,052)	237,939	304,842	104,895	409,737
Profit for the period	-	-	-	-	-	-	-	6,989	6,989	3,497	10,486
Other comprehensive income/ (loss) for the period	-	-	81	-	-	(3,356)	(3,275)	(106)	(3,381)	(274)	(3,655)
Total other comprehensive income/(loss) for the period	-	-	81	-	-	(3,356)	(3,275)	6,883	3,608	3,223	6,831
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	-	(291)	-	-	-	-
Balance at 30 June 2016	104,555	(12,309)	384	(8,781)	-	(20,221)	(28,618)	244,822	308,450	108,118	416,568

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)							Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Subtotal \$'000			
COMPANY									
Balance at 1 April 2017	104,555	(13,048)	1,278	1,929	332	3,539	70,777	165,823	
Profit for the period	-	-	-	-	-	-	83	83	
Other comprehensive income for the period	-	-	708	-	-	708	-	708	
Total other comprehensive income for the period	-	-	708	-	-	708	83	791	
Employee share-based compensation - Treasury shares re-issued	-	126	-	206	(332)	(126)	-	-	
Balance at 30 June 2017	104,555	(12,922)	1,986	2,135	-	4,121	70,860	166,614	

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)						Subtotal \$'000	Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000				
COMPANY									
Balance at 1 April 2016	104,555	(12,600)	303	1,706	514	2,523	75,176	169,654	
Loss for the period	-	-	-	-	-	-	(150)	(150)	
Other comprehensive income for the period	-	-	81	-	-	81	-	81	
Total other comprehensive income/(loss) for the period	-	-	81	-	-	81	(150)	(69)	
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	(291)	-	-	
Balance at 30 June 2016	104,555	(12,309)	384	1,929	-	2,313	75,026	169,585	

- 1.(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the period, the issued and paid-up capital of the Company (excluding treasury shares) increased from 522,121,257 ordinary shares to 522,298,439 ordinary shares. This resulted from the allotment of 177,182 ordinary shares under the Boustead Restricted Share Plan 2011. As at 30 June 2017, there were a total of 18,132,614 (30.6.16: 17,387,696) treasury shares.

- 1.(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	As at 30.6.17	As at 31.3.17
Total number of issued shares (excluding treasury shares)	522,298,439	522,121,257

- 1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

On 3 April 2017, 177,182 treasury shares were utilised for the issue of 177,182 ordinary shares under the Boustead Restricted Share Plan 2011.

- 2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

On 1 April 2017, the Group adopted the amended FRS that are mandatory for application for the financial year ending 31 March 2018. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS. The adoption of these amended FRS did not result in substantial changes to the accounting policies of the Group and the Company and is not expected to have a material effect on the amounts reported for the current or prior financial years.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

None.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP	
	First quarter ended 30.6.17	30.6.16
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on weighted average number of ordinary shares in issue (¢)	0.6	1.3
(ii) On a fully diluted basis (¢)	0.6	1.3
Weighted average number of ordinary shares in issue:		
Basic (*)	522,298,439	522,906,081
Fully diluted basis (**)	522,298,439	523,083,263

* The basic earnings per share is computed based on the weighted average number of ordinary shares in issue.

** The fully diluted earnings per share is computed based on the weighted average number of ordinary shares in issue adjusted for the effects of all potential dilutive ordinary shares.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.

	GROUP		COMPANY	
	30.6.17	31.3.17	30.6.17	31.3.17
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	62.5	61.7	31.9	31.8
Number of issued shares (excluding treasury shares) as at the end of the period reported on	522,298,439	522,121,257	522,298,439	522,121,257

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Overview

The Group's revenue is largely derived from project-oriented businesses and as such, quarterly results would not accurately reflect the full-year's performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

For 1Q FY2018, the Group registered revenue of \$90.3 million, total profit of \$6.0 million and profit attributable to equity holders of the Company ("net profit") of \$2.9 million. Revenue was 21% lower year-on-year, while total profit and net profit were 43% and 58% lower year-on-year respectively. The swing from other gains in 1Q FY2017 to other losses in 1Q FY2018 was mainly due to currency exchange effects, which had a significant dampening effect on total profit and net profit. After adjusting for other gains/losses net of non-controlling interests, net profit would be 25% lower year-on-year.

Net profit declined at a faster pace than total profit due to higher contributions by Boustead Projects Limited to total profit, which resulted in the dilutive effect of the higher non-controlling interests on net profit.

1Q FY2018 Division Revenue

Division	Revenue		Favourable/ (Unfavourable)
	1Q FY2018 \$'m	1Q FY2017 \$'m	Change %
Energy-Related Engineering	18.6	26.1	-29
Real Estate Solutions	45.7	60.9	-25
Geo-Spatial Technology	25.7	26.6	-3
	90.0	113.6	-21
HQ Activities	0.4	0.1	+300
Group Total	90.3	113.7	-21

Note: Any differences in summation are due to rounding differences.

Each division's revenue performance for 1Q FY2018 is summarised below.

The depressed state of the global oil & gas industries continued to adversely impact revenue at the Energy-Related Engineering Division, which was 29% lower year-on-year at \$18.6 million. Final investment decisions on major oil & gas capital expenditures, especially for greenfield developments continued to be deferred.

Faced with a challenging industrial real estate sector in Singapore, the Real Estate Solutions Division (under Boustead Projects) registered revenue that was 25% lower year-on-year at \$45.7 million, with lower revenue contributions from both the design-and-build and leasing businesses.

Although revenue at the Geo-Spatial Technology Division was 3% lower year-on-year at \$25.7 million, demand for the division's products and solutions remained firm across Australia and parts of South East Asia.

1Q FY2018 Group Profitability

Despite the Group's gross profit for 1Q FY2018 declining 8% year-on-year to \$33.0 million, the overall gross margin for 1Q FY2018 improved to 36% compared to 32% in 1Q FY2017. Nonetheless, gross margin pressure remains present.

Other losses for 1Q FY2018 were \$1.6 million, mainly due to currency exchange losses of \$1.7 million. This contrasted with other gains for 1Q FY2017 of \$0.9 million.

Total overhead expenses for 1Q FY2018 marginally declined 3% year-on-year to \$22.4 million (selling and distribution expenses of \$7.4 million and administrative expenses of \$14.9 million) as the Group continued to apply prudent cost management measures.

Finance expenses for 1Q FY2018 fell 28% year-on-year to \$0.5 million following the scheduled repayment of borrowings by Boustead Projects in relation to the industrial leasehold portfolio.

Share of loss of an associated company and joint ventures for 1Q FY2018 increased to \$1.0 million, largely due to the elimination of construction and project management profits attributable to projects which Boustead Projects has entered into with an associated company and joint ventures.

Profit before income tax ("PBT") for 1Q FY2018 decreased 39% year-on-year to \$8.5 million, mainly driven by lower other income, higher other losses and higher share of loss of an associated company and joint ventures. A breakdown of PBT by divisions is provided as follows.

Division	PBT		Favourable/ (Unfavourable)
	1Q FY2018 \$'m	1Q FY2017 \$'m	Change %
Energy-Related Engineering	*(2.4)	1.8	NM
Real Estate Solutions	7.1	7.3	-4
Geo-Spatial Technology	4.6	5.9	-22
	9.3	15.0	-38
HQ Activities	(0.8)	(1.1)	+27
Group Total	8.5	13.9	-39

Note: Any differences in summation are due to rounding differences.
 NM – not meaningful
 * Includes \$1.3m in currency exchange losses in 1Q FY2018.

The Energy-Related Engineering Division experienced its first quarterly loss before income tax – since the global oil & gas recession began three years' ago – in 1Q FY2018, which was significantly aggravated by \$1.3 million in currency exchange losses due to large exposure to USD, captured under other losses – net.

Total profit for 1Q FY2018 decreased 43% year-on-year to \$6.0 million. The Group's effective tax rate in 1Q FY2018 was 29% compared to 24% in 1Q FY2017.

Net profit for 1Q FY2018 decreased 58% year-on-year to \$2.9 million, based on reasons mentioned earlier.

1Q FY2018 Statement of Cash Flows

During 1Q FY2018, cash and cash equivalents (after taking into account the effects of currency translation) rose by \$22.5 million to \$299.0 million, largely driven by strong cash flows provided by operating and investing activities.

Net cash inflow for operating activities amounted to \$6.7 million, after accounting for a negative change in working capital of \$3.8 million. Net cash inflow for investing activities amounted to \$17.7 million, mainly due to the receipt of \$26.1 million in proceeds from the disposal of available-for-sale financial assets, primarily for Boustead Projects' interest in TripleOne Somerset sold in March 2017, partially offset by \$4.4 million in purchase of available-for-sale financial assets and \$3.7 million in loans to an associated company and joint ventures. Net cash outflow for financing activities amounted to \$1.7 million, mainly for \$1.6 million in scheduled repayment of borrowings by Boustead Projects in relation to the industrial leasehold portfolio.

Statement of Financial Position

At the end of 1Q FY2018, the Group's financial position remained healthy.

Under assets, cash and cash equivalents climbed to \$299.0 million, a modest increase from \$276.5 million at the end of FY2017. Total trade receivables, other receivables and prepayments declined, mainly due to the steady collection of trade receivables and the earlier mentioned receipt of proceeds from the disposal of an available-for-sale financial asset. Net contracts work-in-progress rose to \$23.9 million due to uninvoiced work completed for clients. Total available-for-sale financial assets increased to \$75.0 million, largely due to investment allocations made as part of the Group's Cash Management Programme.

Under liabilities, total borrowings decreased to \$86.8 million following the scheduled repayment of borrowings by Boustead Projects in relation to the industrial leasehold portfolio.

The Group's net asset value per share strengthened to 62.5 cents at the end of 1Q FY2018 from 61.7 cents at the end of FY2017, while the net cash position (i.e. net of all bank borrowings) improved to \$212.2 million at the end of 1Q FY2018, translating to a net cash per share position of 40.6 cents. In addition, the Group held \$76.0 million in available-for-sale financial assets and financial assets held for trading at the end of 1Q FY2018, of which almost three quarters of the amount is highly liquid.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

None.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's current order book backlog stands at about \$209 million (unrecognised project revenue remaining at the end of 1Q FY2018 plus the total value of new orders secured since then), of which \$72 million is under the Energy-Related Engineering Division and \$137 million is under the Real Estate Solutions Division.

The current macro economic environment continues to be highly challenging and competitive, with a great amount of uncertainty contributed by global political events. In light of this, the Group will continue to apply prudent cost management measures.

Given the Group's healthy net cash position of \$212.2 million and available-for-sale financial assets and financial assets held for trading of \$76.0 million, and wide range of financing options, the Group continues to uphold an excellent position to capitalise on any good acquisition and investment opportunities that may arise.

While the Group believes it will continue to be profitable in FY2018, the normalised levels of profit will not be comparable to that of FY2017.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/(recommended), a statement to that effect.

No dividend has been declared/recommendeded for this period.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for interested person transactions.

14. Negative confirmation by the Board pursuant to Rule 705(5)

We, Wong Fong Fui and Loh Kai Keong, being two of the directors of Boustead Singapore Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the 1Q FY2018 financial results to be false or misleading.

15. Confirmation of undertakings from Directors and Executive Officer

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Alvin Kok
Company Secretary
10 August 2017