



Boustead Singapore Limited
(Co. Reg. No. 197501036K)

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BOUSTEAD FINANCIAL RESULTS ANNOUNCEMENT FOR FY2019 ENDED 31 MARCH 2019

| | 4Q FY2019 | 4Q FY2018 (Restated) | Change | FY2019 | FY2018 (Restated) | Change |
|--|------------------|-------------------------|--------|------------------|----------------------|--------|
| Revenue | S\$134.3m | *S\$106.0m | +27% | S\$470.6m | *S\$385.1m | +22% |
| Gross profit | S\$38.5m | *S\$37.7m | +2% | S\$154.4m | *S\$147.5m | +5% |
| Profit before income tax ("PBT") | S\$10.7m | S\$13.8m | -23% | S\$62.4m | S\$55.7m | +12% |
| Total profit | S\$11.5m | S\$10.8m | +7% | S\$49.6m | S\$42.2m | +18% |
| Profit attributable to equity holders of the Company ("net profit") | S\$7.9m | S\$7.8m | +2% | S\$32.5m | S\$26.3m | +24% |
| Net profit (adjusted for comparative review)** | S\$7.7m | S\$7.5m | +3% | S\$29.8m | S\$30.4m | -2% |
| - Earnings per share | 1.6cts | 1.5cts | +7% | 6.6cts | 5.1cts | +29% |
| - Net asset value per share | | | | 68.2cts | 64.2cts | +6% |

Notes:

* Restated following a change in the Group's separately listed subsidiary, Boustead Projects Limited's accounting policy in FY2019, in which the elimination of unrealised gains and losses on transactions between Boustead Projects and its associated company and joint ventures are made through a proportionate reduction in "revenue" and "cost of sales" on the income statement, with no impact to the total profit. This change provides a straightforward approach to comprehending Boustead Projects' actual share of profit/loss of an associated company and joint ventures, and is aligned with general industry practice.

** Net profit adjusted for other gains/losses net of non-controlling interests (excluding the gain on disposal of a property) for comparative review.

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

FY2019 Highlights:

- Revenue for FY2019 increased 22% year-on-year to S\$470.6 million. Likewise, total profit and net profit increased 18% and 24% year-on-year to S\$49.6 million and S\$32.5 million respectively, mainly supported by higher gross profit, other income, sizeable other gains (versus sizeable other losses in FY2018) from the completed sale of 25 Changi North Rise by Boustead Projects and lower income tax expense.
- For a comparative review after adjusting for other gains/losses net of non-controlling interests (excluding the gain on disposal of a property), net profit for FY2019 would have been comparable year-on-year.
- The Group's current order book backlog stands at a record full-year announcement level of S\$763 million (unrecognised project revenue remaining at the end of FY2019 plus the total value of new orders secured since then).
- The Board has proposed a final ordinary dividend of 2 cents per share payable in cash/scrip for shareholders' approval. Together with the interim ordinary dividend of 1 cent already paid, the total ordinary dividend for FY2019 would be 3 cents, matching that paid out for FY2018.

Singapore, 27 May 2019 – Mainboard-listed Boustead Singapore Limited (“Boustead” or the “Group”), a progressive global infrastructure-related engineering and technology group today announced its unaudited financial results for the fourth quarter and full-year ended 31 March 2019 (“4Q FY2019” and “FY2019” respectively).

With effect from FY2019, the Group’s separately listed subsidiary, Boustead Projects Limited (Real Estate Solutions Division) changed its accounting policy for the elimination of unrealised gains and losses on transactions between Boustead Projects and its associated company and joint ventures. The elimination of unrealised gains and losses are made through a proportionate reduction in “revenue” and “cost of sales” on the income statement, with no impact to the total profit. This change provides a straightforward approach to comprehending Boustead Projects’ actual share of profit/loss of an associated company and joint ventures, and is also aligned with general industry practice. The change was applied retrospectively to FY2018 and accordingly, the Group’s comparative financial statements have been restated.

For 4Q FY2019, revenue increased 27% year-on-year to S\$134.3 million. Total profit and net profit increased 7% and 2% year-on-year to S\$11.5 million and S\$7.9 million respectively, mainly due to gross margin pressure, higher impairment loss on financial assets, overhead expenses and share of losses of associated companies and joint ventures, partially offset by significant income tax credit at Boustead Projects as a result of the accounting policy change mentioned above.

For FY2019, revenue increased 22% year-on-year to S\$470.6 million. Likewise, total profit and net profit increased 18% and 24% year-on-year to S\$49.6 million and S\$32.5 million respectively, mainly supported by higher gross profit, other income, sizeable other gains (versus sizeable other losses in FY2018) from the completed sale of 25 Changi North Rise by Boustead Projects and lower income tax expense.

For a comparative review after adjusting for other gains/losses net of non-controlling interests (excluding the gain on disposal of a property), net profit for 4Q FY2019 and FY2019 would have been comparable year-on-year.

In view of the Group’s better net profit performance for FY2019 and Boustead Projects’ proposed total dividend of 2 cents per share, the Board has proposed a final ordinary dividend of 2 cents per share payable in cash/scrip for shareholders’ approval. Together with the interim ordinary dividend of 1 cent already paid, the total ordinary dividend for FY2019 would be 3 cents, matching that paid out for FY2018.

Mr Wong Fong Fui, Chairman and Group Chief Executive Officer of Boustead said, “We achieved healthy, broad-based topline and bottomline growth in FY2019, with both our Energy-Related Engineering and Real Estate Solutions Divisions returning to full-year revenue and profit growth in a highly challenging market. Our Geo-Spatial Technology Division also recorded a third consecutive year of revenue and profit growth. Meanwhile, our new Healthcare Technology Division made nine months of maiden contribution.”

Mr Wong added, “Although we have witnessed a gradual improvement in the business outlook across our operating sectors, the current global business environment remains shrouded in huge uncertainty posed by strong geo-economic and geo-political headwinds including the trade war and multiple threats to globalisation and the global economy. As we continue to pursue our technological transformation – so far yielding good results – and armed with our healthy balance sheet, net cash position, wide range of available financing options and our record full-year announcement order book backlog level of S\$763 million, we continue to be in an excellent position to weather the highly challenging global business environment. We are also actively working on capital deployment for various proposed strategic growth programmes under our Real Estate Solutions, Geo-Spatial Technology and Healthcare Technology Divisions, all of which will

help us contribute to achieving most – if not all – of the United Nations’ 17 Sustainable Development Goals and underpin long-term performance. Development of technology-based products and services are currently in the pipeline and this is expected to strengthen the business prospects of the Healthcare Technology Division.”

Mr Wong ended off, “In view of our better net profit performance for FY2019 and Boustead Projects’ proposed total dividend of 2 cents per share, our Board is pleased to propose a final ordinary dividend of 2 cents per share payable in cash/scrip, which together with the interim ordinary dividend of 1 cent already paid, brings our total ordinary dividend for FY2019 to 3 cents, matching what we paid out last year.”

Aligned with the gradual improvement in the business outlook for the global oil & gas industries, the Energy-Related Engineering Division’s revenue climbed 8% year-on-year to S\$102.5 million. Better total revenue from the division’s oil & gas businesses was partially offset by weaker revenue at the division’s water & wastewater engineering business.

Supported by a healthy order book backlog, the Real Estate Solutions Division (Boustead Projects) continued to be the Group’s top revenue contributor for the 12th consecutive year, growing 38% year-on-year to S\$234.2 million on significantly higher design-and-build revenue.

Registering growth for the third consecutive year, the Geo-Spatial Technology Division’s revenue expanded 2% year-on-year to S\$122.1 million, with steady demand for geo-spatial technology in place across Australia and South East Asia.

The newly acquired Healthcare Technology Division bolstered the Group’s revenue with nine months of maiden revenue contribution totalling S\$11.4 million.

PBT for FY2019 increased 12% year-on-year to S\$62.4 million, mainly supported by higher gross profit, other income and sizeable other gains from the completed sale of 25 Changi North Rise.

Broad-based operating profitability for FY2019 was achieved after excluding currency exchange movements and a one-off impairment loss on financial assets. Better total operating profit from the Energy-Related Engineering Division’s oil & gas businesses was partially offset by a weaker performance at the division’s water & wastewater engineering business. The Geo-Spatial Technology Division continued to achieve a healthy profit, while the Healthcare Technology Division made a small but decent profit.

The Group’s net asset value per share strengthened to 68.2 cents at the end of FY2019 from 64.2 cents at the end of FY2018, while the net cash position (i.e. net of all bank borrowings) remained healthy at S\$99.3 million, translating to a net cash per share position of 20.1 cents. In addition, the Group held S\$60.4 million in investment securities, of which about half of the amount is highly liquid.

During FY2019, the Group was awarded a record S\$721 million in new contracts (adjusted for Boustead Projects’ new accounting policy mentioned earlier), largely led by a string of high-profile contract wins by the Real Estate Solutions Division including a S\$242 million contract for the JTC Multi-Storey Recycling Facility and over S\$200 million contract for the Surbana Jurong Campus. The current order book backlog stands at a record full-year announcement level of S\$763 million (unrecognised project revenue remaining at the end of FY2019 plus the total value of new orders secured since then), of which S\$103 million is under the Energy-Related Engineering Division and S\$660 million is under the Real Estate Solutions Division.

Barring unforeseen circumstances and major shifts in the global economic outlook, the Group believes that it can continue to deliver steady results in FY2020.

-- End of media release --

About Boustead Singapore Limited

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

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

In addition, we provide technologically-driven transformational solutions to improve quality of life for all walks of life. Geo-Spatial Technology provides professional services and exclusively distributes Esri geo-spatial technology – the world’s leading geographic information system and location analytics platform – to major markets across Australia and parts of South East Asia. This includes digital infrastructure solutions that 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. Healthcare Technology provides niche innovative medical solutions that address age-related diseases and mobility issues, with a focus on rehabilitative care, sleep care and sports science in the Asia Pacific.

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

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

Visit us at www.boustead.sg.

Financial Results Archive

To access the archive of financial results for the last five financial years, please go to: http://www.boustead.sg/investor_centre/quarterly_results.asp.

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