

**BOUSTEAD PROJECTS LIMITED**  
**AND ITS SUBSIDIARIES**

**SINGAPORE'S LEADING INNOVATOR IN  
INDUSTRIAL REAL ESTATE SOLUTIONS**

**SGXNET ANNOUNCEMENT**  
**UNAUDITED RESULTS FOR FY2018**  
**ENDED 31 MARCH 2018**



## Corporate Profile

Established in 1996, Boustead Projects Limited (SGX:AVM) is a leading industrial real estate solutions provider in Singapore, with core engineering expertise in the design-and-build and development of industrial facilities for multinational corporations and local enterprises. To date, we have constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Our wholly-owned design-and-build subsidiary, Boustead Projects E&C Pte Ltd (“BP E&C”) is approved by the Building & Construction Authority (“BCA”) of Singapore for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Our in-depth experience in designing and constructing custom-built facilities covers the aerospace, commercial, food, healthcare and pharmaceutical, high-tech manufacturing, lifestyle, logistics, oil & gas, precision engineering, research & development, resource recovery, technology and transportation industries. We are also a leader in pioneering advanced eco-sustainable facilities under the BCA’s Green Mark Programme and the US Green Building Council’s Leadership in Energy & Environmental Design (LEED) Program. In Singapore, BP E&C is one of only 10 bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company’s health, safety and environmental management programmes.

On 30 April 2015, Boustead Projects listed on the SGX Mainboard.

Boustead Projects is a 53%-owned subsidiary of Boustead Singapore Limited (SGX:F9D), a progressive global infrastructure-related engineering services and geo-spatial technology group which is separately listed on the SGX Mainboard.

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**BOUSTEAD PROJECTS LIMITED**  
(Company Registration No. 199603900E)

**Unaudited Financial Statements and Related Announcement for the Fourth Quarter and Full-Year Ended 31 March 2018**

**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 Fourth quarter ended			GROUP Full-year ended		
		31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %	31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %
<b>Revenue</b>		57,640	38,519	50%	201,342	228,307	-12%
<b>Cost of sales</b>		(42,876)	(26,053)	65%	(136,105)	(169,786)	-20%
<b>Gross profit</b>		14,764	12,466	18%	65,237	58,521	11%
Other income	1	1,372	1,052	30%	3,617	3,581	1%
Other (losses)/gains – net	2	(181)	14,639	NM	77	14,698	-99%
Expenses							
- Selling and distribution		(942)	(1,086)	-13%	(4,265)	(4,013)	6%
- Administrative		(6,644)	(7,780)	-15%	(24,414)	(22,829)	7%
- Finance		(507)	(583)	-13%	(1,949)	(2,391)	-18%
Share of loss of an associated company and joint ventures		(956)	(522)	83%	(2,851)	(2,693)	6%
<b>Profit before income tax</b>	3	6,906	18,186	-62%	35,452	44,874	-21%
Income tax expense	4	(1,094)	(3,918)	-72%	(6,301)	(8,625)	-27%
<b>Total profit</b>		5,812	14,268	-59%	29,151	36,249	-20%
Profit attributable to:							
Equity holders of the Company		5,812	14,268	-59%	29,151	36,098	-19%
Non-controlling interests		-	-	NM	-	151	-100%
		5,812	14,268	-59%	29,151	36,249	-20%

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 Fourth quarter ended			GROUP Full-year ended		
	31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %	31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %
<b>Total profit</b>	5,812	14,268	-59%	29,151	36,249	-20%
<b>Other comprehensive income/(loss):</b>						
<u>Items that may be reclassified subsequently to profit or loss</u>						
- Currency translation differences arising from consolidation	888	(266)	NM	1,405	(1,011)	NM
<b>Other comprehensive income/(loss), net of tax</b>	888	(266)	NM	1,405	(1,011)	NM
<b>Total comprehensive income</b>	6,700	14,002	-52%	30,556	35,238	-13%
Total comprehensive income attributable to:						
Equity holders of the Company	6,700	14,002	-52%	30,556	35,087	-13%
Non-controlling interests	-	-	NM	-	151	-100%
	6,700	14,002	-52%	30,556	35,238	-13%

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 Fourth quarter ended			GROUP Full-year ended		
	31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %	31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %
<u>Note 1: Other income</u>						
Interest income	1,046	745	40%	2,388	2,325	3%
Sublease income	326	307	6%	1,229	1,256	-2%
	1,372	1,052	30%	3,617	3,581	1%
<u>Note 2: Other (losses)/gains – net</u>						
Currency exchange (losses)/gains – net	(181)	(130)	39%	77	(71)	NM
Impairment loss on an investment property	-	(3,551)	-100%	-	(3,551)	-100%
Gain on disposal of an available-for-sale financial asset – net	-	8,913	-100%	-	8,913	-100%
Compensation from termination of lease	-	9,407	-100%	-	9,407	-100%
	(181)	14,639	NM	77	14,698	-99%
<u>Note 3: Profit before income tax is arrived at after charging the following:</u>						
Depreciation expense	(1,674)	(2,087)	-20%	(6,692)	(7,080)	-5%
Employee share-based payment expense	(816)	(692)	18%	(1,314)	(692)	90%
<u>Note 4: Income tax expense</u>						
<p>The provision for income tax expense is made after taking into account non-deductible expenses, non-taxable income and temporary differences, and is based on the statutory tax rates of the respective countries that the Group operates in.</p> <p>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, overseas subsidiaries' profits which are subject to higher income tax rates and the reversal of over-accrued income tax expenses.</p>						

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.

Balance Sheets

	Note	GROUP		COMPANY	
		31.3.18 \$'000	31.3.17 \$'000	31.3.18 \$'000	31.3.17 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		111,386	113,374	52,802	100,164
Properties held for sale		30,730	30,612	-	-
Trade receivables		59,718	64,185	15,134	43,272
Other receivables and prepayments		29,984	41,681	140,053	143,309
Contracts work-in-progress		8,700	8,436	-	2,468
		240,518	258,288	207,989	289,213
<b>Non-current assets</b>					
Trade receivables		4,619	-	-	-
Other receivables and prepayments		2,651	6,064	-	-
Investment in an associated company		588	-	-	-
Investments in joint ventures		37,148	32,354	44,240	37,263
Investments in subsidiaries		-	-	40,022	28,282
Available-for-sale financial asset		20,519	20,519	20,519	20,519
Investment properties		128,827	134,796	-	-
Property, plant and equipment		780	812	-	506
		195,132	194,545	104,781	86,570
<b>Total assets</b>		435,650	452,833	312,770	375,783
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Borrowings	1(b)(ii)	5,095	18,295	-	-
Trade and other payables		95,353	106,695	73,000	167,419
Income tax payable		10,632	10,898	2,468	4,651
Contracts work-in-progress		7,872	9,458	-	-
		118,952	145,346	75,468	172,070
<b>Non-current liabilities</b>					
Borrowings	1(b)(ii)	65,409	70,059	-	-
Trade payables		3,418	4,973	-	3,170
Deferred income tax liabilities		3,770	3,077	-	77
		72,597	78,109	-	3,247
<b>Total liabilities</b>		191,549	223,455	75,468	175,317
<b>NET ASSETS</b>		244,101	229,378	237,302	200,466
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital		15,000	15,000	15,000	15,000
Treasury shares		(8,885)	(35)	(8,885)	(35)
Retained profits		239,338	218,179	229,818	185,141
Other reserves		(1,352)	(3,766)	1,369	360
<b>Total equity</b>	1(d)(i)	244,101	229,378	237,302	200,466

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

Amount repayable within one year or less, or on demand

<b>As at 31.3.18 \$'000</b>		<b>As at 31.3.17 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
5,095	-	18,295	-

Amount repayable after one year

<b>As at 31.3.18 \$'000</b>		<b>As at 31.3.17 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
65,409	-	70,059	-

Total borrowings of \$70,504,000 (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		GROUP	
	Fourth quarter ended 31.3.18 \$'000	31.3.17 \$'000	Full-year ended 31.3.18 \$'000	31.3.17 \$'000
<b>Cash flows from operating activities</b>				
Profit before income tax	6,906	18,186	35,452	44,874
Adjustments for:				
Depreciation expense	1,674	2,087	6,692	7,080
Impairment loss on an investment property	-	3,551	-	3,551
Share of loss of an associated company and joint ventures	956	522	2,851	2,693
Fair value gains on foreign exchange contracts	-	-	-	(105)
Employee share-based compensation expense	816	692	1,314	692
Gain on disposal of an available-for-sale financial asset – net	-	(8,913)	-	(8,913)
Write-off of accrued leasing income	-	954	-	954
Interest income	(1,046)	(745)	(2,388)	(2,325)
Finance expenses	507	583	1,949	2,391
Currency exchange losses/(gains) – net	181	130	(77)	71
	9,994	17,047	45,793	50,963
Change in working capital:				
- Trade and other receivables	11,938	23,749	(1,385)	(322)
- Contracts work-in-progress	(4,851)	2,846	(1,851)	(3,219)
- Trade and other payables	2,807	(12,210)	(11,863)	2,381
- Properties held for sale	-	-	(55)	(164)
Cash generated from operations	19,888	31,432	30,639	49,639
Interest received	1,046	745	2,388	2,325
Interest paid	(507)	(583)	(1,949)	(2,391)
Income tax (paid)/refunded	(870)	78	(5,874)	(5,619)
<b>Net cash provided by operating activities</b>	<b>19,557</b>	<b>31,672</b>	<b>25,204</b>	<b>43,954</b>



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		GROUP	
	Fourth quarter ended 31.3.18 \$'000	31.3.17 \$'000	Full-year ended 31.3.18 \$'000	31.3.17 \$'000
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	-	(149)	(291)	(392)
Proceeds from disposal of an available-for-sale financial asset	-	1,375	25,895	1,375
Proceeds from repayment of a loan by a joint venture	-	-	-	5,453
Loans to joint ventures	(2,626)	(17,352)	(9,391)	(20,370)
Loan to an associated company	(1,245)	-	(8,483)	-
Loan to a related party	-	-	-	(2,054)
Addition to investment properties	(377)	-	(377)	-
<b>Net cash (used in)/provided by investing activities</b>	<b>(4,248)</b>	<b>(16,126)</b>	<b>7,353</b>	<b>(15,988)</b>
<b>Cash flows from financing activities</b>				
Repayment of borrowings	(14,517)	(1,619)	(17,850)	(5,095)
Purchase of treasury shares	(8,865)	(35)	(9,155)	(35)
Dividend received from a joint venture	-	141	115	266
Dividends paid to equity holders of the Company	-	-	(7,992)	-
Dividends paid to non-controlling interests	-	-	-	(45)
<b>Net cash used in financing activities</b>	<b>(23,382)</b>	<b>(1,513)</b>	<b>(34,882)</b>	<b>(4,909)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(8,073)</b>	<b>14,033</b>	<b>(2,325)</b>	<b>23,057</b>
<b>Cash and cash equivalents</b>				
Beginning of financial period	119,166	99,535	113,374	90,876
Effects of currency translation on cash and cash equivalents	293	(194)	337	(559)
<b>End of financial period</b>	<b>111,386</b>	<b>113,374</b>	<b>111,386</b>	<b>113,374</b>

**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-----)										
	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Merger reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total \$'000
<b>GROUP</b>											
Balance at 1 April 2017	15,000	(35)	218,179	(2,854)	-	360	(1,272)	(3,766)	229,378	-	229,378
Profit for the period	-	-	23,339	-	-	-	-	-	23,339	-	23,339
Other comprehensive income for the period	-	-	-	-	-	-	517	517	517	-	517
Total comprehensive income for the period	-	-	23,339	-	-	-	517	517	23,856	-	23,856
Purchase of treasury shares	-	(290)	-	-	-	-	-	-	(290)	-	(290)
Employee share-based compensation											
- Value of employee services	-	-	-	-	-	498	-	498	498	-	498
- Treasury shares re-issued	-	305	-	-	2	(307)	-	(305)	-	-	-
Dividends	-	-	(7,992)	-	-	-	-	-	(7,992)	-	(7,992)
Balance at 31 December 2017	15,000	(20)	233,526	(2,854)	2	551	(755)	(3,056)	245,450	-	245,450
Profit for the period	-	-	5,812	-	-	-	-	-	5,812	-	5,812
Other comprehensive income for the period	-	-	-	-	-	-	888	888	888	-	888
Total comprehensive income for the period	-	-	5,812	-	-	-	888	888	6,700	-	6,700
Purchase of treasury shares	-	(8,865)	-	-	-	-	-	-	(8,865)	-	(8,865)
Employee share-based compensation											
- Value of employee services	-	-	-	-	-	816	-	816	816	-	816
Balance at 31 March 2018	15,000	(8,885)	239,338	(2,854)	2	1,367	133	(1,352)	244,101	-	244,101

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

	(-----Other reserves-----)										
	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Merger reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total \$'000
<b>GROUP</b>											
Balance at 1 April 2016	15,000	-	182,081	(2,854)	-	-	(261)	(3,115)	193,966	(106)	193,860
Profit for the period	-	-	21,830	-	-	-	-	-	21,830	151	21,981
Other comprehensive loss for the period	-	-	-	-	-	-	(745)	(745)	(745)	-	(745)
Total comprehensive income/(loss) for the period	-	-	21,830	-	-	-	(745)	(745)	21,085	151	21,236
Distributions	-	-	-	-	-	-	-	-	-	(45)	(45)
Balance at 31 December 2016	15,000	-	203,911	(2,854)	-	-	(1,006)	(3,860)	215,051	-	215,051
Profit for the period	-	-	14,268	-	-	-	-	-	14,268	-	14,268
Other comprehensive loss for the period	-	-	-	-	-	-	(266)	(266)	(266)	-	(266)
Total comprehensive income/(loss) for the period	-	-	14,268	-	-	-	(266)	(266)	14,002	-	14,002
Purchase of treasury shares	-	(35)	-	-	-	-	-	-	(35)	-	(35)
Employee share-based compensation - Value of employee services	-	-	-	-	-	360	-	360	360	-	360
Balance at 31 March 2017	15,000	(35)	218,179	(2,854)	-	360	(1,272)	(3,766)	229,378	-	229,378

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

	(-----Other reserves-----)						
	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Total \$'000
<b>COMPANY</b>							
Balance at 1 April 2017	15,000	(35)	-	360	360	185,141	200,466
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	10,610	10,610
Purchase of treasury shares	-	(290)	-	-	-	-	(290)
Employee share-based compensation							
- Value of employee services	-	-	-	498	498	-	498
- Treasury shares re-issued	-	305	2	(307)	(305)	-	-
Dividends	-	-	-	-	-	(7,992)	(7,992)
Balance at 31 December 2017	15,000	(20)	2	551	553	187,759	203,292
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	42,059	42,059
Purchase of treasury shares	-	(8,865)	-	-	-	-	(8,865)
Employee share-based compensation							
- Value of employee services	-	-	-	816	816	-	816
Balance at 31 March 2018	15,000	(8,885)	2	1,367	1,369	229,818	237,302

	(-----Other reserves-----)						
	Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Total \$'000
<b>COMPANY</b>							
Balance at 1 April 2016	15,000	-	-	-	-	161,125	176,125
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	12,234	12,234
Balance at 31 December 2016	15,000	-	-	-	-	173,359	188,359
Profit for the period, representing total comprehensive income for the period	-	-	-	-	-	11,782	11,782
Purchase of treasury shares	-	(35)	-	-	-	-	(35)
Employee share-based compensation							
- Value of employee services	-	-	-	360	360	-	360
Balance at 31 March 2017	15,000	(35)	-	360	360	185,141	200,466

**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) decreased from 319,977,245 ordinary shares to 308,906,145 ordinary shares. This resulted from the repurchase of a total of 11,071,100 ordinary shares pursuant to the Share Buy-Back Mandate approved at the Extraordinary General Meeting of the Company held on 27 July 2017. As at 31 March 2018, there were a total of 11,093,855 (31.3.17: 40,000) 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.**

	<b>As at 31.3.18</b>	<b>As at 31.3.17</b>
Total number of issued shares	308,906,145	319,960,000

**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 31 October 2017, 355,045 treasury shares were utilised for the issue of 355,045 ordinary shares under the Boustead Projects Restricted Share Plan 2016.

**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, as disclosed in Note 4 above.

**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		GROUP	
	Fourth quarter ended 31.3.18	31.3.17	Full-year ended 31.3.18	31.3.17
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 (¢)	1.8	4.5	9.1	11.3
(ii) On a fully diluted basis (¢)	1.8	4.5	9.1	11.3
Weighted average number of ordinary shares in issue:				
Basic	316,242,745	319,986,667	318,898,931	319,996,667
Fully diluted basis	318,808,418	320,000,000	320,000,000	320,000,000

**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	
	31.3.18	31.3.17	31.3.18	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 (\$)	0.790	0.717	0.768	0.627
Number of issued shares (excluding treasury shares) as at the end of the period reported on	308,906,145	319,960,000	308,906,145	319,960,000

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 Boustead Projects Group ("BP Group")'s revenue is largely derived from project-oriented business 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.

For 4Q FY2018, the BP Group registered quarterly revenue that was 50% higher year-on-year at \$57.6 million, due to higher revenue contributions from the design-and-build business. However, quarterly total profit was 59% lower year-on-year at \$5.8 million, mainly due to an absence of non-recurring other gains of \$14.6 million, recorded in 4Q FY2017. These other gains were from compensation for AusGroup's early lease termination and the sale of the BP Group's interest in TripleOne Somerset ("TripleOne Somerset Sale"). After adjusting for these other gains/losses and expenses associated with the AusGroup and TripleOne Somerset transactions, quarterly total profit would be 71% higher year-on-year, supported by higher quarterly gross profit.

For FY2018, the BP Group registered full-year revenue that was 12% lower year-on-year at \$201.3 million, due to lower revenue contributions from both the design-and-build and leasing businesses. Full-year total profit was 20% lower year-on-year at \$29.2 million, similarly impacted by the absence of non-recurring other gains mentioned earlier. After adjusting for other gains/losses and expenses associated with the AusGroup and TripleOne Somerset transactions, full-year total profit would be 15% higher year-on-year, supported by higher full-year gross profit achieved through productivity improvements and the unlocking of project cost savings.

#### Segment Revenue

Segment	Revenue			Favourable/ (Unfavourable)		
	4Q FY2018	4Q FY2017	Change	FY2018	FY2017	Change
	\$'m	\$'m	%	\$'m	\$'m	%
Design-and-Build	49.9	30.4	+64	169.9	195.2	-13
Leasing	7.8	8.1	-4	31.5	33.1	-5
BP Group Total	57.6	38.5	+50	201.3	228.3	-12

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

#### 4Q FY2018 Segment Revenue

Design-and-build revenue for 4Q FY2018 was 64% higher year-on-year at \$49.9 million, as there was greater revenue converted from contracts secured during FY2018, as compared to the previous corresponding period.

Leasing revenue for 4Q FY2018 was 4% lower year-on-year at \$7.8 million, mainly due to the lease expiry of 85 Tuas South Avenue 1 in January 2018 and lack of contribution from 36 Tuas Road due to AusGroup's early lease termination in 4Q FY2017, partially offset by contributions from new leases, as well as development management fees from the Boustead Development Partnership.

## FY2018 Segment Revenue

Design-and-build revenue for FY2018 was 13% lower year-on-year at \$169.9 million, as there was a lower total value of contracts secured in FY2017 for revenue conversion in FY2018, in addition to a major project with significant contract value completed in FY2017 that contributed to higher design-and-build revenue recorded for that period. This was partially offset by greater revenue converted from contracts secured during FY2018, as compared to the previous corresponding period.

Due to the same reasons mentioned for 4Q FY2018, leasing revenue for FY2018 was 5% lower year-on-year at \$31.5 million.

## **Group Profitability**

A breakdown of profit before income tax ("PBT") by business segment is provided as follows.

Segment	PBT			Favourable/ (Unfavourable)		
	4Q FY2018 \$'m	4Q FY2017 \$'m	Change %	FY2018 \$'m	FY2017 \$'m	Change %
Design-and-Build	3.3	1.0	+230	21.0	14.9	+41
Leasing	3.6	*8.3	-57	14.4	*21.1	-32
Investments	-	**8.9	-100	-	**8.9	-100
BP Group Total	6.9	18.2	-62	35.5	44.9	-21

Note: Any differences in summation are due to rounding differences.  
\* Includes \$9.4m compensation from AusGroup's early lease termination, \$3.6m impairment loss on investment property previously leased to AusGroup and \$1.0m accrued leasing income written off.  
\*\* Gain from TripleOne Somerset Sale, net of fees.

## 4Q FY2018 Group Profitability

The BP Group's overall gross profit for 4Q FY2018 increased 18% year-on-year to \$14.8 million, riding on higher design-and-build revenue. However, overall gross margin for 4Q FY2018 decreased to 26% from 32% in 4Q FY2017, due to lower project cost savings.

Other losses for 4Q FY2018 of \$0.2 million were in contrast to other gains for 4Q FY2017 of \$14.6 million, primarily due to compensation from AusGroup's early lease termination and the gain from the TripleOne Somerset Sale, partially offset by an impairment loss on an investment property.

Total overhead expenses for 4Q FY2018 declined 14% year-on-year to \$7.6 million (selling and distribution expenses of \$0.9 million, and administrative expenses of \$6.6 million). The higher overhead expenses in the previous corresponding period relate to the write-off of accrued leasing income from AusGroup's early lease termination. This was partially offset by investment in new capabilities under the BP Group's regional growth strategies in 4Q FY2018.

Finance expenses for 4Q FY2018 dropped 13% year-on-year following the reduction in borrowings according to scheduled loan repayment.

Share of loss of an associated company and joint ventures for 4Q FY2018 increased 83% year-on-year to \$1.0 million, representing an increase in the elimination of construction and project management profits attributable to projects in which the BP Group has entered into with an associated company and joint ventures.

Total PBT for 4Q FY2018 decreased 62% year-on-year to \$6.9 million, mainly due to the absence of other gains as mentioned earlier and higher share of loss of an associated company and joint ventures, partially offset by a higher gross profit and lower overhead expenses.



Income tax expense for 4Q FY2018 was 72% lower year-on-year at \$1.1 million, on lower total PBT.

Total profit for 4Q FY2018 was 59% lower year-on-year at \$5.8 million. However, if the non-recurring gains in 4Q FY2017 were excluded, the total profit for 4Q FY2018 would have been 71% higher year-on-year.

#### FY2018 Group Profitability

The BP Group's overall gross profit for FY2018 increased 11% to \$65.2 million. Overall gross margin for FY2018 improved to 32% from 26% in FY2017, mainly achieved through productivity improvements, the unlocking of project cost savings and conversion of projects with higher margins.

Due to the same reasons mentioned earlier for 4Q FY2018, other gains for FY2018 of \$0.1 million were in contrast to that for FY2017 of \$14.7 million.

Total overhead expenses for FY2018 rose 7% year-on-year to \$28.7 million (selling and distribution expenses of \$4.3 million, and administrative expenses of \$24.4 million), in line with investments in new capabilities under the BP Group's regional growth strategies, higher employee share-based payment expense and professional fees related to recruitment and joint venture investments, partially offset by the write-off of accrued leasing income from AusGroup's early lease termination in FY2017.

Finance expenses for FY2018 dropped 18% year-on-year to \$1.9 million following the reduction in borrowings according to scheduled loan repayment.

Share of loss of an associated company and joint ventures for FY2018 increased 6% year-on-year to \$2.9 million, mainly representing an increase in the elimination of construction and project management profits attributable to projects in which the BP Group has entered into with an associated company and joint ventures, partially offset by the BP Group's share of results from associated company, THAB Development Sdn Bhd ("THAB") following the completion of THAB's iBP @ Nusajaya Phase 1 in Malaysia.

Total PBT for FY2018 decreased 21% year-on-year to \$35.5 million, mainly due to absence of other gains as mentioned earlier, higher overhead expenses and higher share of loss of an associated company and joint ventures, partially offset by higher gross profit and lower finance expenses.

Income tax expense for FY2018 was 27% lower year-on-year at \$6.3 million, on lower total PBT.

Total profit for FY2018 was 20% lower year-on-year at \$29.2 million. However, if the non-recurring gains in FY2017 were excluded, then total profit for FY2018 would have been 15% higher year-on-year.

### **Statement of Cash Flows**

#### 4Q FY2018 Cash Flows

During 4Q FY2018, cash and cash equivalents (after taking into account the effects of currency translation) decreased by \$7.8 million to \$111.4 million, mainly due to net cash used in investing and financing activities, partially offset by net cash provided by operating activities.

Net cash provided by operating activities amounted to \$19.6 million, with \$10.0 million in operating cash flows before changes in working capital and a \$9.9 million positive change in working capital. This positive net cash from operating activities arose from higher cash collected from clients against payments made to subcontractors and suppliers.

Net cash used in investing activities amounted to \$4.2 million, mainly due to additional loans extended to an associated company and joint ventures, and an addition to investment properties.

Net cash used in financing activities amounted to \$23.4 million, due to \$14.5 million for the scheduled repayment of borrowings and \$8.9 million for the purchase of treasury shares.

## FY2018 Cash Flows

During FY2018, cash and cash equivalents (after taking into account the effects of currency translation) marginally decreased by \$2.0 million to \$111.4 million, mainly due to net cash used in financing activities, partially offset by net cash provided by operating and investing activities.

Net cash provided by operating activities amounted to \$25.2 million, with \$45.8 million in operating cash flows before changes in working capital, partially offset by a \$15.2 million negative change in working capital. This overall positive net cash from operating activities arose from higher cash collected from clients against payments made to subcontractors and suppliers.

Net cash provided by investing activities amounted to \$7.4 million, mainly from the sale proceeds from the disposal of an available-for-sale financial asset (i.e. the BP Group's interest in TripleOne Somerset), partially offset by additional loans extended to an associated company and joint ventures, and the addition to investment properties.

Net cash used in financing activities amounted to \$34.9 million, mainly due to \$17.9 million for the scheduled repayment of borrowings, \$9.2 million for the purchase of treasury shares and \$8.0 million in dividends paid to shareholders.

## **Balance Sheets**

At the end of FY2018, the BP Group's financial position remained healthy with cash and cash equivalents of \$111.4 million, and total equity of \$244.1 million.

Under assets, the BP Group's cash and cash equivalents marginally decreased to \$111.4 million as described earlier under the explanation for Statement of Cash Flows. Total trade receivables of \$64.3 million remained comparable year-on-year. Total other receivables and prepayments significantly fell to \$32.6 million, mainly due to the collection of sale proceeds from the disposal of an available-for-sale financial asset (i.e. the BP Group's interest in TripleOne Somerset) in FY2017 and collection of compensation from AusGroup's early lease termination, partially offset by additional loans extended to an associated company.

Under non-current assets, investments in joint ventures rose to \$37.1 million with additional shareholders' loans extended to joint ventures for the development of industrial properties for lease, partially offset by the elimination of construction and project management profits attributable to projects in which the BP Group has entered into with joint ventures. Investment properties declined to \$128.8 million, mainly as a result of depreciation.

Under liabilities, total trade and other payables decreased to \$98.8 million, following payments made to subcontractors and suppliers during FY2018.

Total borrowings declined to \$70.5 million, following the scheduled repayment of borrowings in relation to the industrial leasehold portfolio.

The BP Group's net asset value per share climbed to 79.0 cents at the end of FY2018 from 71.7 cents at the end of FY2017, while the net cash position (cash and cash equivalents less total borrowings) strengthened to \$40.9 million at the end of FY2018.

**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.**

Notwithstanding that the BP Group has seen an improvement in construction activities in the industrial real estate sector in Singapore, competition is expected to remain intense and margins challenging. Nonetheless, the BP Group is cautiously optimistic that its market leadership and financially-sound position, combined with its strong business development efforts, will allow it to capitalise on opportunities in its growing design-and-build and real estate development enquiry pipelines both in Singapore and overseas. The BP Group will also continue to invest in smart and eco-sustainable building capabilities, drive cost and productivity improvements, and intensify its efforts in securing strategic partnerships and M&A targets that could support its market expansion and extend its capabilities.

During FY2018, the BP Group secured a healthy level of \$233 million in contracts (FY2017: \$140 million), strengthened its market leadership in Singapore and also made inroads into the key overseas market of Vietnam with a maiden land acquisition deal there. With a current order book backlog (unrecognised project revenue remaining at the end of FY2018 plus the total value of new orders secured since then) at a healthy level of \$218 million and a growing opportunities pipeline both in Singapore and overseas markets, the BP Group is expecting to deliver a healthy level of profit in FY2019.

The BP Group will continue to pursue the longer term strategy of expanding and growing its design-and-build business regionally, and increasing its portfolio of income generating properties.

**11. Dividend**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

Yes

The Board is proposing an ordinary dividend of 1.5 cents per share for shareholders' approval.

Name of Dividend	Final (proposed)
Dividend Type	Cash
Dividend Amount (per ordinary share)	1.5 cents
Tax Rate	Tax exempt (1-tier)

**(b) Corresponding period of the immediately preceding financial year**

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

Yes, as detailed in Note 16.

**(c) Date payable**

17 August 2018

**(d) Books closure**

Notice is hereby given that the Transfer Books and Register of Members of the Company will be closed on 3 August 2018 for the purpose of determining shareholders' entitlements to the final dividend to be paid on 17 August 2018, subject to and contingent upon shareholders' approval for the proposed dividends being obtained at the forthcoming Annual General Meeting of the Company.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00pm on 3 August 2018 will be registered before entitlements to the dividend are determined.

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

Not applicable.

**PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL-YEAR ANNOUNCEMENT**

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Segment information is presented in respect of the Group’s business segments which comprise its two core segments, design-and-build and leasing. These are provided to the Group’s chief operating decision maker for the purpose of resource allocation and assessment of segment performance and are reported in accordance with FRS 108 Operating Segments. The Group operates predominantly in Singapore and has operations in China, Malaysia and Vietnam.

**BY BUSINESS SEGMENTS**

<b>FY2018</b>	<b>Design-and-Build \$'000</b>	<b>Leasing \$'000</b>	<b>Investments \$'000</b>	<b>Elimination \$'000</b>	<b>Group \$'000</b>
<b>Primary segments</b>					
<b>Revenue</b>					
External sales	169,866	31,476	-	-	201,342
Total revenue	169,866	31,476	-	-	201,342
<b>Result</b>					
Segment result before interest	19,547	15,466	-	-	35,013
Interest income	1,478	910	-	-	2,388
Finance costs					(1,949)
Profit before income tax					35,452
Income tax expense					(6,301)
Total profit					29,151
Attributable to:					
Equity holders of the Company					29,151
Non-controlling interests					-
					29,151
<b>FY2017</b>					
<b>Primary segments</b>					
<b>Revenue</b>					
External sales	195,217	33,090	-	-	228,307
Total revenue	195,217	33,090	-	-	228,307
<b>Result</b>					
Segment result before interest	14,899	22,274	8,913	(1,146)	44,940
Interest income	1,156	1,169	-	-	2,325
Finance costs					(2,391)
Profit before income tax					44,874
Income tax expense					(8,625)
Total profit					36,249
Attributable to:					
Equity holders of the Company					36,098
Non-controlling interests					151
					36,249

## BY GEOGRAPHICAL SEGMENTS

Revenue	Singapore \$'000	Other Countries \$'000	Group \$'000
External sales for the full-year ended			
31.3.18	186,856	14,486	201,342
31.3.17	208,813	19,494	228,307

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

As detailed in Note 8.

15. A breakdown of sales.

	GROUP Full-year ended		
	31.3.18 \$'000	31.3.17 \$'000	Inc/(Dcr) %
Sales reported for first half-year	95,775	123,140	-22%
Operating profit after income tax for first half-year	15,326	13,502	14%
Sales reported for second half-year	105,567	105,167	0%
Operating profit after income tax reported for second half-year	13,825	22,747	-39%

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full-year and its previous full-year.

Name of Dividend	Current Financial Year Ended 31.3.18		
	Ordinary	Special	Total
Type of Dividend	Cash	Cash	Cash
Dividend Per Share	1.5 cents	-	1.5 cents
Annual Dividend (S\$'000)	4,634	-	4,634

Name of Dividend	Previous Financial Year Ended 31.3.17		
	Ordinary	Special	Total
Type of Dividend	Cash	Cash	Cash
Dividend Per Share	1.5 cents	1.0 cents	2.5 cents
Annual Dividend (S\$'000)	4,795	3,197	7,992

**17. 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. The following transactions that the Group entered into would be regarded as interested person transactions pursuant to the Listing Manual of the SGX-ST:-

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000)	
	Full-year ended 31.3.18 S\$'000	Full-year ended 31.3.17 S\$'000
Boustead Singapore Limited (“BSL”) and its subsidiaries (“BSL Group”)		
i) Lease of office premises from the BSL Group <sup>(1)</sup> (includes shared expenses such as IT, utilities and common area usage)	176	178
ii) Reimbursement to BSL for the issue of BSL shares to employees of the Company pursuant to the Boustead Restricted Share Plan 2011 <sup>(1)</sup>	-	332

(1) This is deemed to have been specifically approved by shareholders upon the distribution of shares by dividend in specie following the extraordinary general meeting of Boustead Singapore Limited held on 16 April 2015 and is therefore not subject to Rules 905 and 906 of the Listing Manual to the extent that there are no subsequent changes to the terms of such agreement.

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).**

<b>Name</b>	<b>Age</b>	<b>Family relationship with any director and/or chief executive officer and/or substantial shareholder</b>	<b>Current position and duties, and the year the position was first held</b>	<b>Details of changes in duties and position held, if any, during the year</b>
Wong Yu Wei (Huang Youwei)	41	Son of Mr Wong Fong Fui, Substantial Shareholder	Deputy Chairman & Executive Director  The position of Deputy Chairman was first held with effect from 25 March 2015.	No change

**19. Confirmation of Undertakings from Directors and Executive Officers**

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

BY ORDER OF THE BOARD

*Tay Chee Wah*  
*Company Secretary*  
18 May 2018