



**Boustead Projects Limited**  
(Co. Reg. No. 199603900E)

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## BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR FY2019 ENDED 31 MARCH 2019

	4Q FY2019	4Q FY2018 (Restated)	Change	FY2019	FY2018 (Restated)	Change
<b>Revenue</b>	<b>S\$69.3m</b>	*S\$46.2m	+50%	<b>S\$234.2m</b>	*S\$169.6m	+38%
<b>Gross profit</b>	<b>S\$12.6m</b>	*S\$12.9m	-3%	<b>S\$60.6m</b>	*S\$59.3m	+2%
<b>Profit before income tax ("PBT")</b>	<b>S\$4.1m</b>	S\$6.9m	-40%	<b>**S\$35.7m</b>	S\$35.5m	+1%
<b>Total profit / Profit attributable to equity holders of the Company ("net profit")</b>	<b>S\$5.7m</b>	S\$5.8m	-2%	<b>S\$30.6m</b>	S\$29.2m	+5%
<b>- Earnings per share</b>	<b>1.8cts</b>	1.8cts	+0%	<b>9.9cts</b>	9.1cts	+9%
<b>- Net asset value per share</b>				<b>90.7cts</b>	79.0cts	+15%

Notes:

\* Restated following a change in the Boustead Projects Group ("BP Group")'s accounting policy in FY2019, in which the elimination of unrealised gains and losses on transactions between the BP Group 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 the BP Group's actual share of profit/loss of an associated company and joint ventures, and is aligned with general industry practice.

\*\* Includes S\$5.9m gain on sale of 25 Changi North Rise, net of fees.

**Note to Editors: The 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.**

**FY2019 Highlights:**

- For 4Q FY2019, total revenue was 50% higher year-on-year at S\$69.3 million, due to higher design-and-build revenue. However, total profit was marginally lower year-on-year at S\$5.7 million, mainly due to lower gross margins in design-and-build projects and depreciation incurred on ALICE@Mediapolis where leasing income has yet to be stabilised, partially offset by significant income tax credit.
- For FY2019, total revenue was 38% higher year-on-year at S\$234.2 million, due to higher design-and-build revenue. Total profit was 5% higher year-on-year at S\$30.6 million, mainly driven by a gain from the sale of 25 Changi North Rise, higher revenue conversion and interest income, and significant income tax credit, partially offset by depreciation incurred on ALICE@Mediapolis and the absence of a one-off gain from share of results from an associated company registered in FY2018.
- A record S\$633 million worth of contracts were secured in FY2019 (adjusted following the change in the BP Group's accounting policy), contributing to the BP Group's current order book backlog of approximately S\$660 million (unrecognised project revenue remaining at the end of FY2019 plus the total value of new orders secured since then).
- In view of the BP Group's healthy performance for FY2019, the Board has proposed a final ordinary dividend of 1.5 cents and special dividend of 0.5 cent, totalling 2 cents.

**Singapore, 23 May 2019** – Mainboard-listed Boustead Projects Limited (“Boustead Projects” or the “BP Group”), a leading specialist in real estate solutions today announced its unaudited financial results for the fourth quarter and full-year ended 31 March 2019 (“4Q FY2019” and “FY2019” respectively).

For 4Q FY2019, total revenue was 50% higher year-on-year at S\$69.3 million, due to higher design-and-build revenue. Design-and-build revenue was 60% higher year-on-year at S\$62.0 million, with higher revenue conversion supported by the healthy order book backlog carried forward at the end of FY2018. In particular, there was a sizeable project under a deferred payment arrangement that provided significant revenue. Real estate revenue was comparable year-on-year at S\$7.3 million.

Total profit for 4Q FY2019 was marginally lower year-on-year at S\$5.7 million, mainly due to lower gross margins in design-and-build projects and depreciation incurred on ALICE@Mediapolis where leasing income has yet to be stabilised, partially offset by significant income tax credit as a result of recognising deferred tax asset on the unrealised gains and losses on transactions between the BP Group and its associated company and joint ventures.

For FY2019, total revenue was 38% higher year-on-year at S\$234.2 million, due to higher design-and-build revenue. Design-and-build revenue was 48% higher year-on-year at S\$205.1 million, due to the same reasons mentioned for 4Q FY2019. Real estate revenue was 5% lower year-on-year at S\$29.2 million, mainly impacted by the lease expiry of 85 Tuas South Avenue 1 in January 2018.

Total profit for FY2019 was 5% higher year-on-year at S\$30.6 million, mainly driven by a gain from the sale of 25 Changi North Rise, higher revenue conversion and interest income, and significant income tax credit, partially offset by depreciation incurred on ALICE@Mediapolis and the absence of a one-off gain from the BP Group’s share of results from an associated company registered in FY2018.

In view of the BP Group’s healthy performance for FY2019, the Board has proposed a final ordinary dividend of 1.5 cents and a special dividend of 0.5 cent, totalling 2 cents.

Mr Thomas Chu, Managing Director of Boustead Projects said, “We delivered healthy results for FY2019 while achieving significant progress on several business development fronts. A record S\$633 million worth of contracts were secured and are expected to be progressively recognised over the next two years. These milestone contracts have reinforced our position as one of Singapore’s market leaders in the industrial real estate sector. On the real estate front, we completed ALICE@Mediapolis, which in the short-term has been a dampener on our leasehold portfolio’s profitability but once fully stabilised and tenanted, is expected to contribute meaningfully to profitability. We also successfully secured land for our new Braddell Road development, along with joint development projects for Amcor, Bombardier and Razer. Together with the new lease for 85 Tuas South Avenue 1 commencing soon, we expect the latest development projects to boost our leasehold portfolio’s cash flow, income, quality and size as each project comes online over the next two years.”

Mr Chu added, “During FY2019, we also formed several new strategic partnerships to augment our growth. We established our Echo Base joint venture, which is a real estate fund management and services platform focused on the development, investment and management of smart buildings and integrated developments across the Asia Pacific, with the Razer Southeast Asia HQ as its maiden project and the potential for us to enter into non-industrial asset classes across a wider geographical reach. In Malaysia, we entered into a joint venture with Malaysia Airports Holdings Bhd to develop an aerospace and high-tech park at Subang Aerotech Park in Selangor, to be leased to corporations serving the aerospace industry.”

Mr Chu concluded with, "Shortly after the close of FY2019, we completed our strategic investment in 25% of DSCO, a provider of specialised building engineering consulting services in the Asia Pacific. We expect this investment to support our future expansion and complement our range of expertise in high-tech and high-value specialised projects such as data centres. Going forward, we continue to transform our capabilities with market-leading technologies to address what remains a highly challenging market. Notwithstanding that we have seen an improvement in construction activities in the industrial real estate sector in Singapore, competition is expected to remain intense with margin pressure."

At the end of FY2019, the BP Group's financial position remained healthy with cash and cash equivalents of S\$108.3 million and total equity of S\$281.0 million. Net asset value per share climbed to 90.7 cents from 79.0 cents at the end of FY2018. However, the BP Group moved into a net debt position (cash and cash equivalents less total borrowings) of S\$37.9 million, mainly as a result of additional borrowings to finance the Braddell Road land purchase and for working capital for the sizeable project under a deferred payment arrangement.

The BP Group's current order book backlog stands at a record full-year announcement level of approximately S\$660 million (unrecognised project revenue remaining at the end of FY2019 plus the total value of new orders secured since then), which include the sizeable contracts for the JTC Multi-Storey Recycling Facility and Surbana Jurong Campus.

-- End of media release --

## **About Boustead Projects Limited**

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 Singapore's Building & Construction Authority ("BCA") for Grade CW01-A1 and General Builder Class 1 License to execute building construction contracts of unlimited value.

Our in-depth experience in designing and constructing custom-built facilities covers the aerospace, business park and commercial, food, healthcare and pharmaceutical, high-tech manufacturing, info-communications, lifestyle, logistics, oil & gas, precision engineering, research & development, technology and waste management 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 seven bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company's workplace safety and health ("WSH") management programmes. Our WSH efforts have been further recognised with five prestigious WSH Performance Silver Awards and 11 SHARP Awards to date.

On 30 April 2015, Boustead Projects listed on the SGX Mainboard. We were awarded the Singapore Corporate Governance Award in the Newly Listed Category at the Securities Investors Association (Singapore)'s 18th Investors' Choice Awards 2017. We are also listed on the MSCI World Micro Cap Index and FTSE ST Fledgling Index.

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

Visit us at [www.bousteadprojects.com](http://www.bousteadprojects.com).

## **Financial Results Archive**

To access the archive of financial results since the listing of Boustead Projects on the SGX, please go to: [http://www.bousteadprojects.com/investor\\_centre/quarterly\\_results.asp](http://www.bousteadprojects.com/investor_centre/quarterly_results.asp).

## **Contact Information**

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