



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

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BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR 2Q FY2019 ENDED 30 SEPTEMBER 2018

	2Q FY2019	2Q FY2018	Change	1H FY2019	1H FY2018	Change
Revenue	S\$60.6m	S\$50.1m	+21%	S\$109.3m	S\$95.8m	+14%
Gross profit	S\$19.5m	S\$18.5m	+5%	S\$35.2m	S\$33.1m	+6%
Profit before income tax ("PBT")	S\$10.0m	S\$11.8m	-16%	*S\$22.4m	S\$18.9m	+18%
Total profit	S\$8.0m	S\$9.5m	-16%	S\$18.1m	S\$15.3m	+18%
Total profit (adjusted for comparative review)**	S\$8.0m	S\$9.5m	-16%	S\$13.2m	S\$15.3m	-14%
Profit attributable to equity holders of the Company	S\$8.0m	S\$9.5m	-16%	S\$18.1m	S\$15.3m	+18%
- Earnings per share	2.6cts	3.0cts	-13%	5.8cts	4.8cts	+21%
- Net asset value per share				86.5cts	74.2cts	+17%

Notes:

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

** Total profit adjusted for sale of 25 Changi North Rise completed during 1Q FY2019.

Note to Editors: 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.

2Q/1H FY2019 Highlights:

- For 2Q FY2019, total revenue was 21% higher year-on-year at S\$60.6 million, due to higher design-and-build revenue, partially offset by lower leasing revenue. Total profit was 16% lower year-on-year at S\$8.0 million, mainly due to higher overhead expenses and share of loss of an associated company and joint ventures, partially offset by higher gross profit achieved through productivity improvements and the unlocking of project cost savings.
- For 1H FY2019, total revenue was 14% higher year-on-year at S\$109.3 million, due to higher design-and-build revenue, partially offset by lower leasing revenue. Total profit was 18% higher year-on-year at S\$18.1 million, mainly boosted by a non-recurring other gain from the sale of 25 Changi North Rise. After adjusting for this gain and expenses associated with the sale, total profit would be 14% lower year-on-year, mainly due to the same reasons mentioned for 2Q FY2019.
- The current order book backlog stands at a healthy S\$212 million.

Singapore, 5 November 2018 – 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 second quarter and first half ended 30 September 2018 (“2Q FY2019” and “1H FY2019” respectively).

For 2Q FY2019, total revenue was 21% higher year-on-year at S\$60.6 million, due to higher design-and-build revenue, partially offset by lower leasing revenue. Design-and-build revenue for 2Q FY2019 was 26% higher year-on-year at S\$53.2 million, with the healthy order book backlog carried forward at the end of FY2018 contributing to stronger revenue conversion during the quarter. Leasing revenue for 2Q FY2019 was 6% lower year-on-year at S\$7.4 million, mainly impacted by the lease expiry of 85 Tuas South Avenue 1 in January 2018, partially offset by development management fees from the Boustead Development Partnership.

Despite the higher total revenue, total profit for 2Q FY2019 was 16% lower year-on-year at S\$8.0 million, mainly due to higher overhead expenses (selling and distribution expenses, and administrative expenses) and share of loss of an associated company and joint ventures, partially offset by higher gross profit achieved through productivity improvements and the unlocking of project cost savings.

For 1H FY2019, total revenue was 14% higher year-on-year at S\$109.3 million, due to higher design-and-build revenue, partially offset by lower leasing revenue. Due to the same reasons mentioned for 2Q FY2019, design-and-build revenue for 1H FY2019 was 18% higher year-on-year at S\$94.4 million, while leasing revenue for 1H FY2019 was 6% lower year-on-year at S\$14.9 million.

Total profit for 1H FY2019 was 18% higher year-on-year at S\$18.1 million, mainly boosted by a non-recurring other gain from the sale of 25 Changi North Rise. After adjusting for this gain and expenses associated with the sale, total profit would be 14% lower year-on-year, mainly due to the same reasons mentioned for 2Q FY2019.

Mr Thomas Chu, Managing Director of Boustead Projects said, “We continued to deliver a decent set of results for 2Q FY2019 and 1H FY2019, during which our order book was boosted by a contract secured for a business park building in one-north. We also achieved significant progress in growing our development business and leasehold portfolio. Land was secured for a new high-tech industrial development in the central part of Singapore. In addition, we were awarded our fifth development project under the Boustead Development Partnership for Amcor and also completed construction of ALICE @ Mediapolis shortly after 2Q FY2019.”

Mr Chu added, “We are cautiously optimistic that our market leadership, sound financial position and strong business development efforts will allow us to capitalise on a steady pipeline of opportunities both in Singapore and overseas for the remainder of FY2019. We continue to invest in smart and eco-sustainable building capabilities, drive cost and productivity improvements, and intensify our efforts in securing strategic partnerships and acquisition targets that can extend our capabilities and support our market expansion. We look forward to keeping the market updated on our business development efforts.”

At the end of 1H FY2019, the BP Group’s financial position remained healthy with cash and cash equivalents of S\$132.1 million and total equity of S\$267.9 million. Net asset value per share climbed to 86.5 cents at the end of 1H FY2019, from 79.0 cents at the end of FY2018, while the net cash position (cash and cash equivalents less total borrowings) significantly improved to S\$53.2 million at the end of 1H FY2019.

The BP Group's current order book backlog stands at a healthy S\$212 million (unrecognised project revenue remaining at the end of 2Q FY2019 plus the total value of new orders secured since then).

-- 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 nine 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, FTSE Global Small Cap Index and FTSE ST Small Cap Index.

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

Visit us at 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.

Contact Information

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