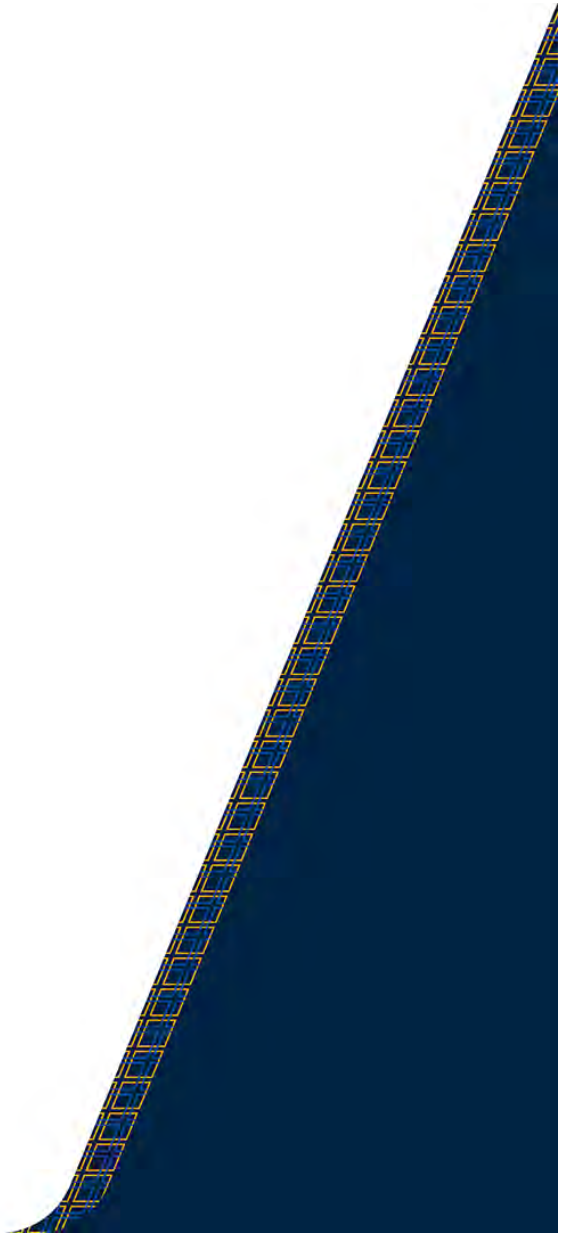
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# Boustead Singapore Limited FY2021 Annual General Meeting

## Management Presentation

**28 July 2021**



# Disclaimer

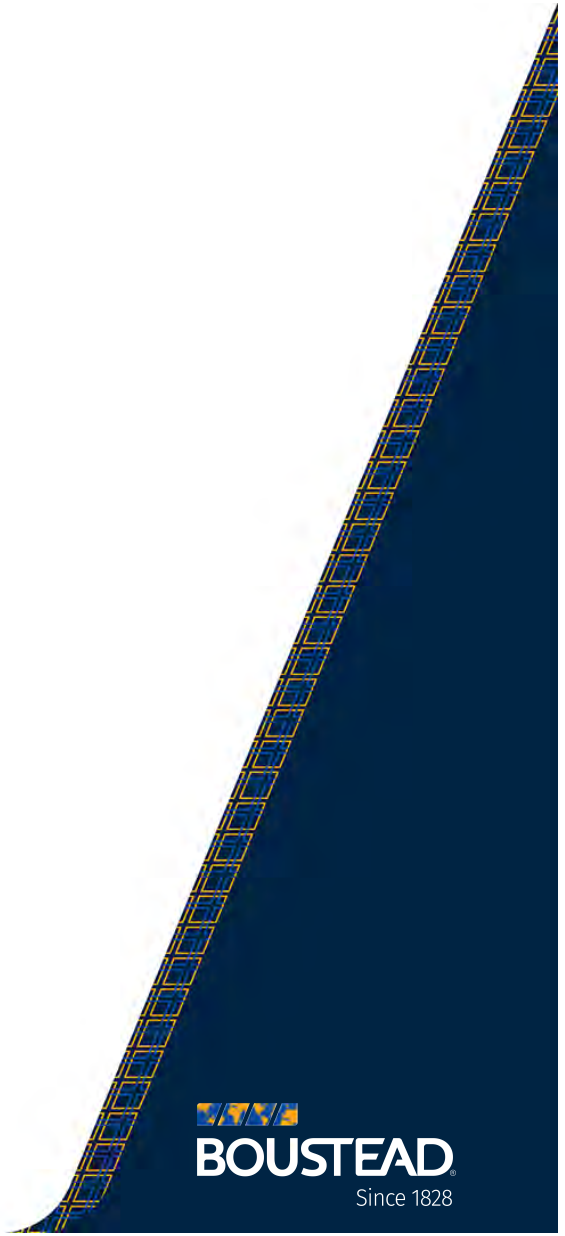
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# Presentation Agenda

- Division Performance Review
- Group Financial Performance
- Polling Results for AGM Resolutions





# Division Performance Review – Real Estate

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# Real Estate
## Division Revenue, PBT & Orders Secured

| | FY2021 (S$'m) | FY2020 (S$'m) | Chg (%) |
|---|---|---|---|
| Revenue | **301.4** | 426.2 | -29 |
| PBT | ***140.6** | 27.5 | +412 |
| Orders secured | **178** | 93 | +91 |

* Includes Boustead Industrial Fund ("BIF") value-unlocking transaction one-off gain of S$134.8 million ("BIF Value Unlocking Gain")

- Revenue impacted by pandemic, prolonged project closures, lower productivity and shortage of foreign labour resources
- Record PBT supported by BIF Value Unlocking Gain
- Higher contracts secured due to geographic market expansion

# Real Estate
## Prospects



- Immediate term
  - Announced order backlog: S$351 million
  - Industrial real estate outlook:
    - Challenging F2022 due to continued impact from pandemic including more difficult business development and margin pressure on contracts secured pre-pandemic
    - Technological transformation continues to be emphasised

- Longer term
  - Stronger platforms including BIF and fund management business to build recurring, long-term income streams
  - Demand for smart, eco-sustainable and future-ready developments to address climate change



# Division Performance Review – Energy Engineering

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# Energy Engineering
## Division Revenue, PBT & Orders Secured



| | FY2021 (S$'m) | FY2020 (S$'m) | Chg (%) |
|---|---|---|---|
| Revenue | **198.4** | 144.5 | +37 |
| PBT | **28.0** | 7.9 | +254 |
| Orders secured | **52** | 304 | -83 |

- Underperforming water business sold in FY21
- Excellent revenue and profit results a reflection of orders won in FY19 and FY20, and margin uplift during FY21
- Order secured during FY21 of $52 million is not ideal, and initiative to grow brownfield services and work is not a success.

# Energy Engineering
## Prospects



- Immediate term
  - Announced order backlog: S$96 million
  - Virtually certain less revenue and profit recognised for FY2022 compared to FY2021
  - Uptick in oil prices leading to more projects being kicked off in FY2022, leading to optimism that more than the S$52 million of orders in FY2021 can be secured

- Longer term
  - Complex
  - Uncertain

# Energy Engineering
## What are experts saying about fossil fuel outlook?



***"....there should be no new investments in oil & gas production fields, coal mines or unabated coal power plants beyond 2021...."***

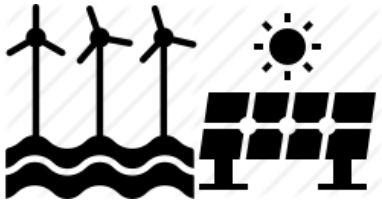
International Energy Agency

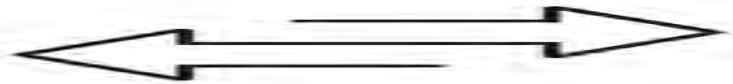
***"The outlook for natural gas is more resilient than for oil ...when combined with carbon capture use and storage."***

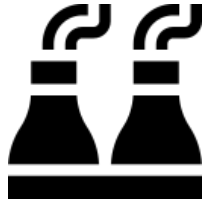
BP

***"Fossil fuel use will not disappear any time soon. Our scenario envisages fossil fuels having a 77 %share of global energy demand [in 2040]"***

Wood McKenzie









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# Energy Engineering
## Addressing uncertain long term prospects



- Stay nimble and scale business quickly according to demand for oil & gas projects
- Spend more time on chasing projects which are somewhat more resilient to transition to net-zero emissions such as natural gas projects / LNG projects / petrochemicals such as plastics / fertilisers
- Continue building brownfield service capabilities
- Find out if heat transfer expertise can be deployed in other complex but non-oil & gas projects, such as carbon capture and storage solutions?



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# Energy Engineering
## Addressing uncertain long term prospects



- Stay nimble and scale business quickly according to demand for oil & gas projects
- Spend more time on chasing projects which are somewhat more resilient to transition to net-zero emissions such as natural gas projects / LNG projects / petrochemicals such as plastics / fertilisers
- Continue building brownfield service capabilities
- Find out if heat transfer expertise can be deployed in other complex but non-oil & gas projects, such as carbon capture and storage solutions?

Maintain bid discipline at all times and not bid stupidly!



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# Division Performance Review
## – Geospatial

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## Geospatial
## Division Revenue, PBT & Deferred Services Backlog

| | FY2021 (S$'m) | FY2020 (S$'m) | Chg (%) |
|---|---|---|---|
| Revenue | **170.4** | 137.3 | +24 |
| PBT | **40.7** | 29.7 | +37 |
| Deferred services backlog | **100** | 73 | +37 |

- Record revenue; fifth consecutive year of revenue and PBT growth despite currency headwinds

- Years of marketing efforts and investments in educating users leading to consistently growing demand for geospatial solutions

# Geospatial
## Esri Direct and Esri Aligned

### Esri Direct

Revenue as a result of selling Esri Inc's software products under the distribution agreement

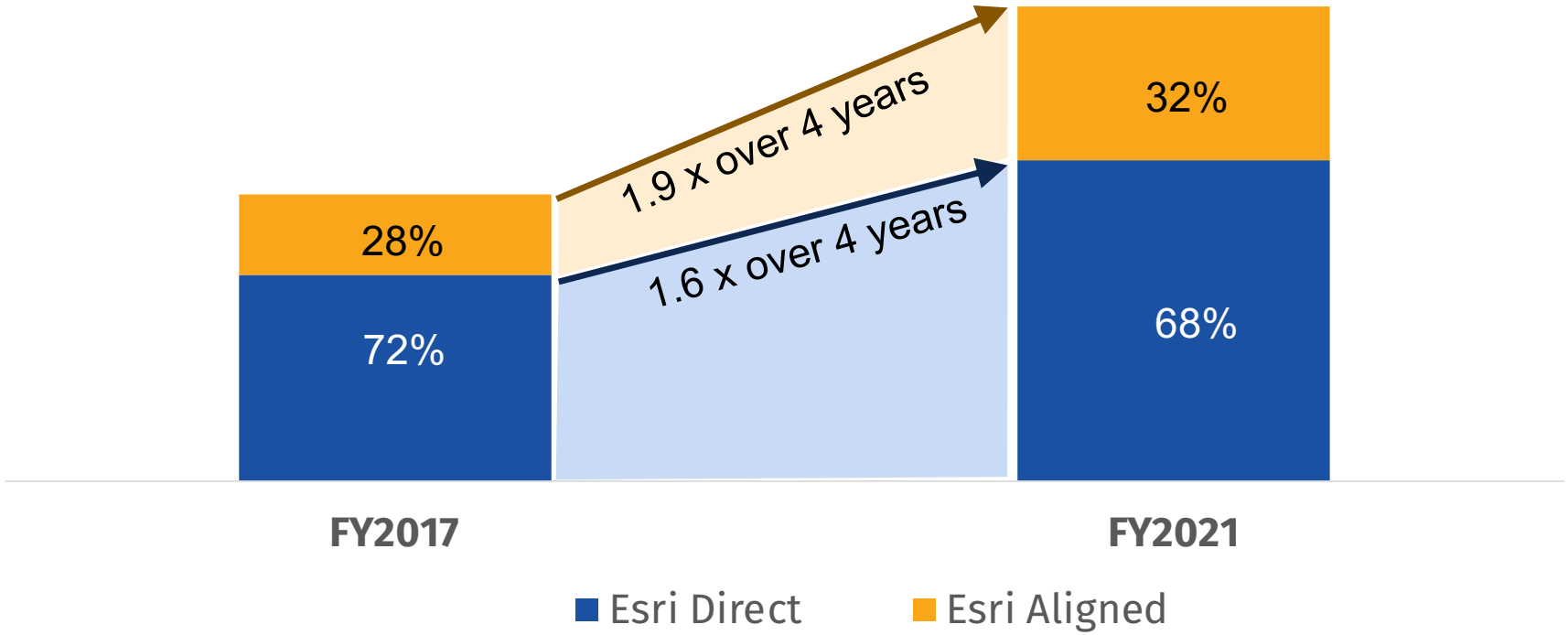



Leveraging synergies to create long-term, scalable business with enhanced offerings independent of distribution agreement

### Esri Aligned

Revenue as a result of selling services, data products, 3rd party (including self-developed) solutions that enhance and extend the Esri ecosystem

## Geospatial
# Esri Direct and Esri Aligned Revenue Growth

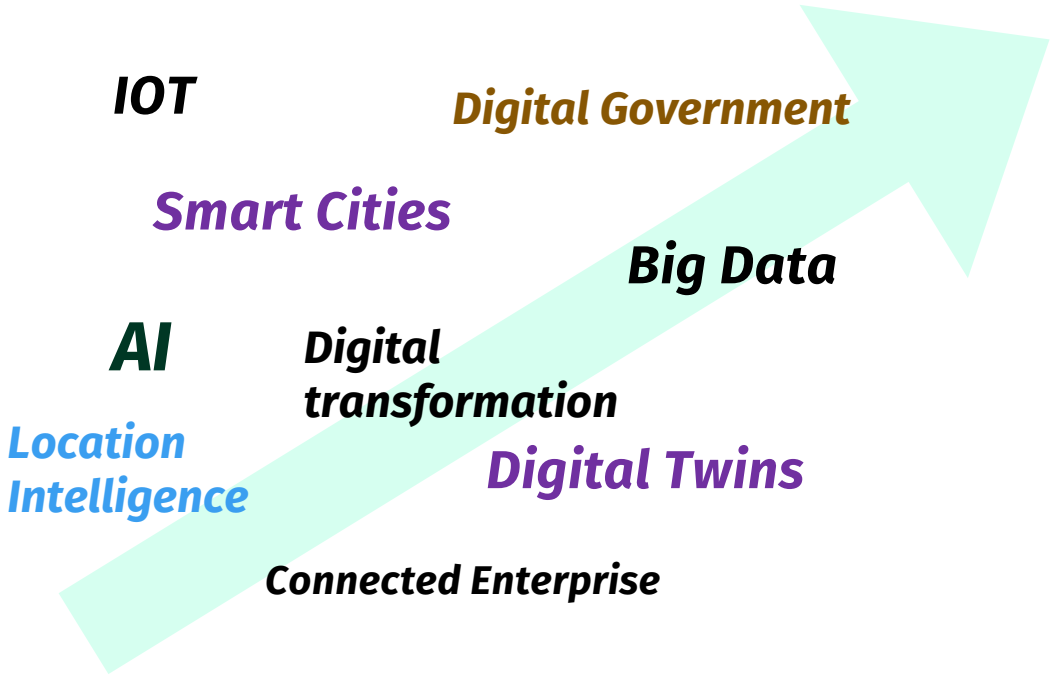



***We remain 100% committed to growing the Esri ecosystem whether through direct software sales or aligned services, solutions or datasets!***



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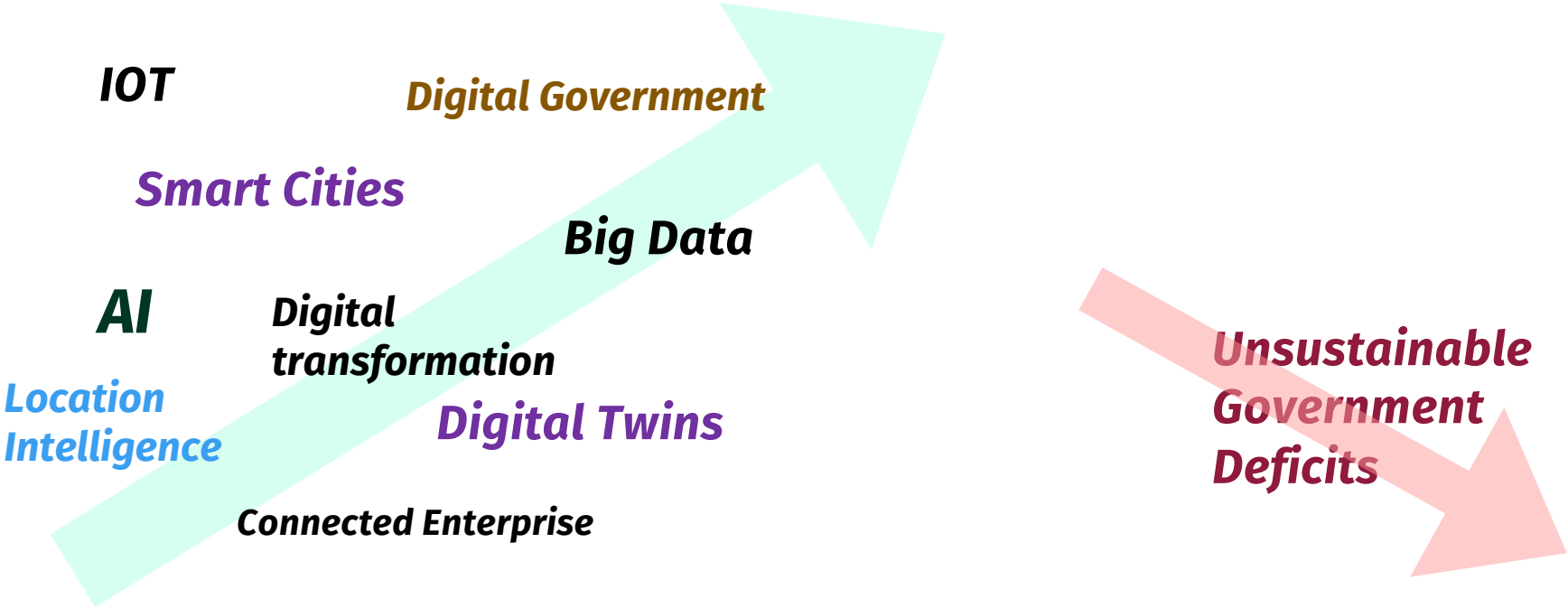
# Geospatial
# Prospects






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# Geospatial Prospects






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# Division Performance Review – Healthcare

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## Healthcare
## Division Revenue & PBT

| | FY2021 (S$'m) | FY2020 (S$'m) | Chg (%) |
|---|---|---|---|
| Revenue | **15.2** | 18.2 | -16 |
| Share of associate, Beijing Pukang ("Pukang") | **1.5** | 2.0 | -25 |
| PBT (includes share of Pukang's income above) | ***-0.1m** | *1.1m | NM |

* Excludes S$0.4m annual amortisation adjustment by Group upon acquisition over 3 years

- Negatively impacted by pandemic
- Sales process and culture to be improved

# Healthcare
## Prospects



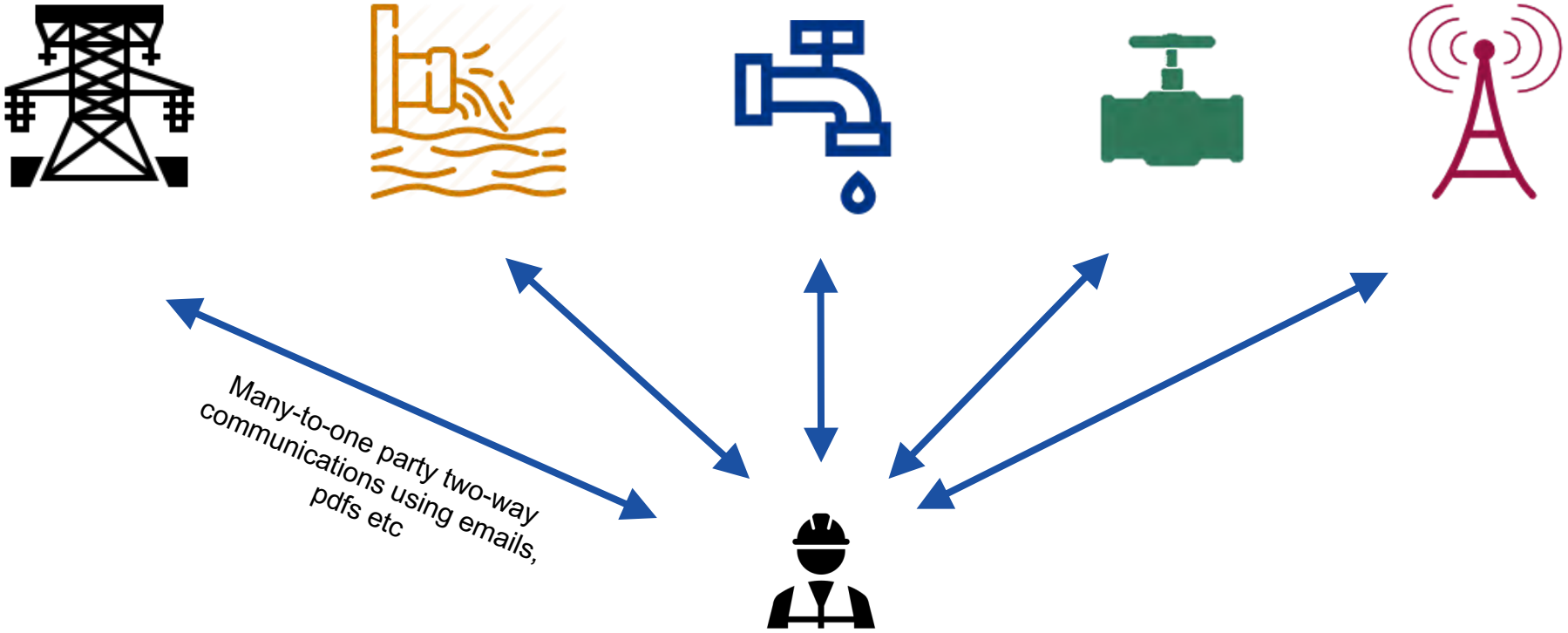
- Immediate term
  - Somewhat uncertain
  - Singapore and China macro environment for rehab and products is improving; not so for Malaysia and Thailand
  - Sales and marketing process and culture still not optimised

- Longer term
  - Longer term trend for ageing demographics and more efficient healthcare delivery persists for foreseeable future
  - Internal priority to improve sales and marketing team capabilities to capture growing demand for solutions

# Noteworthy Projects and Achievements

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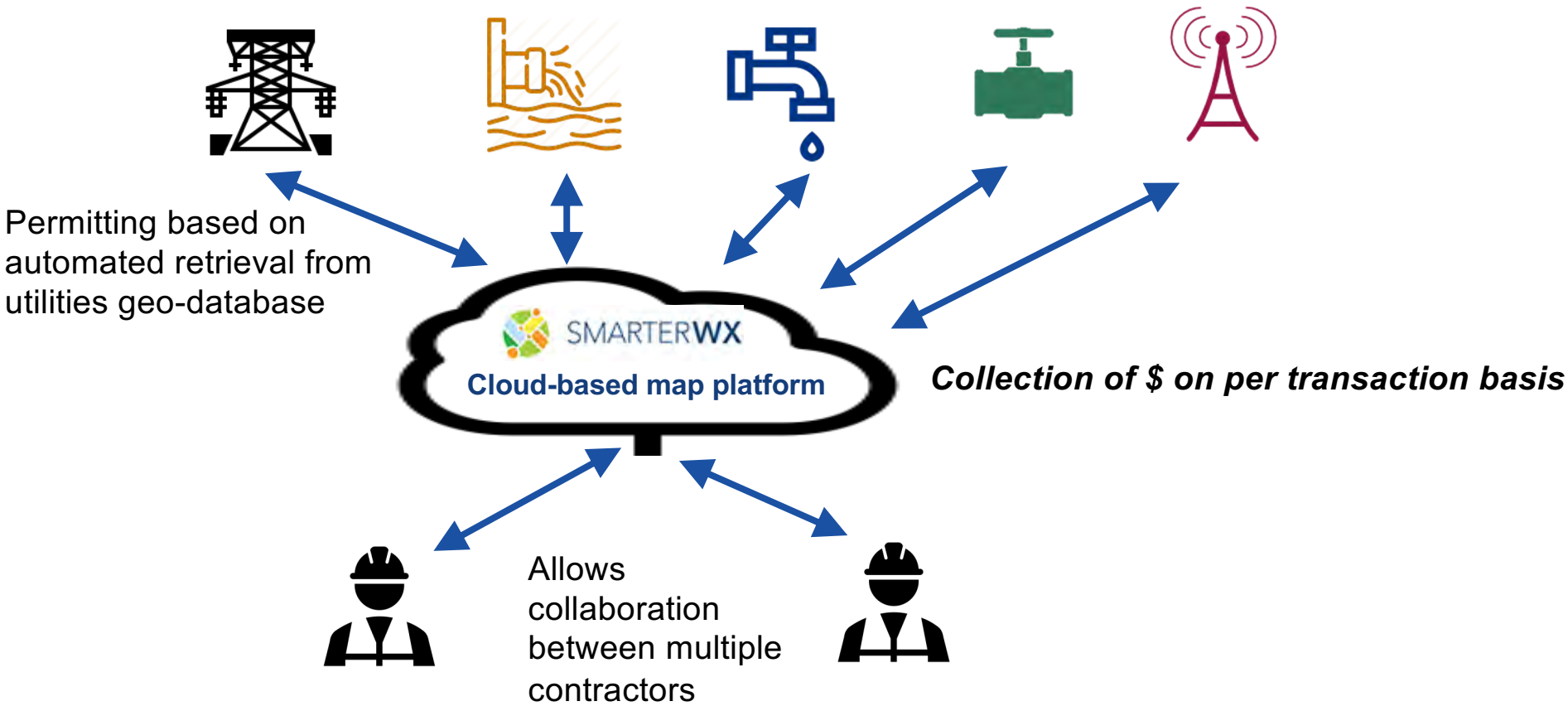
## Geospatial
# Conventional Construction Permitting Process






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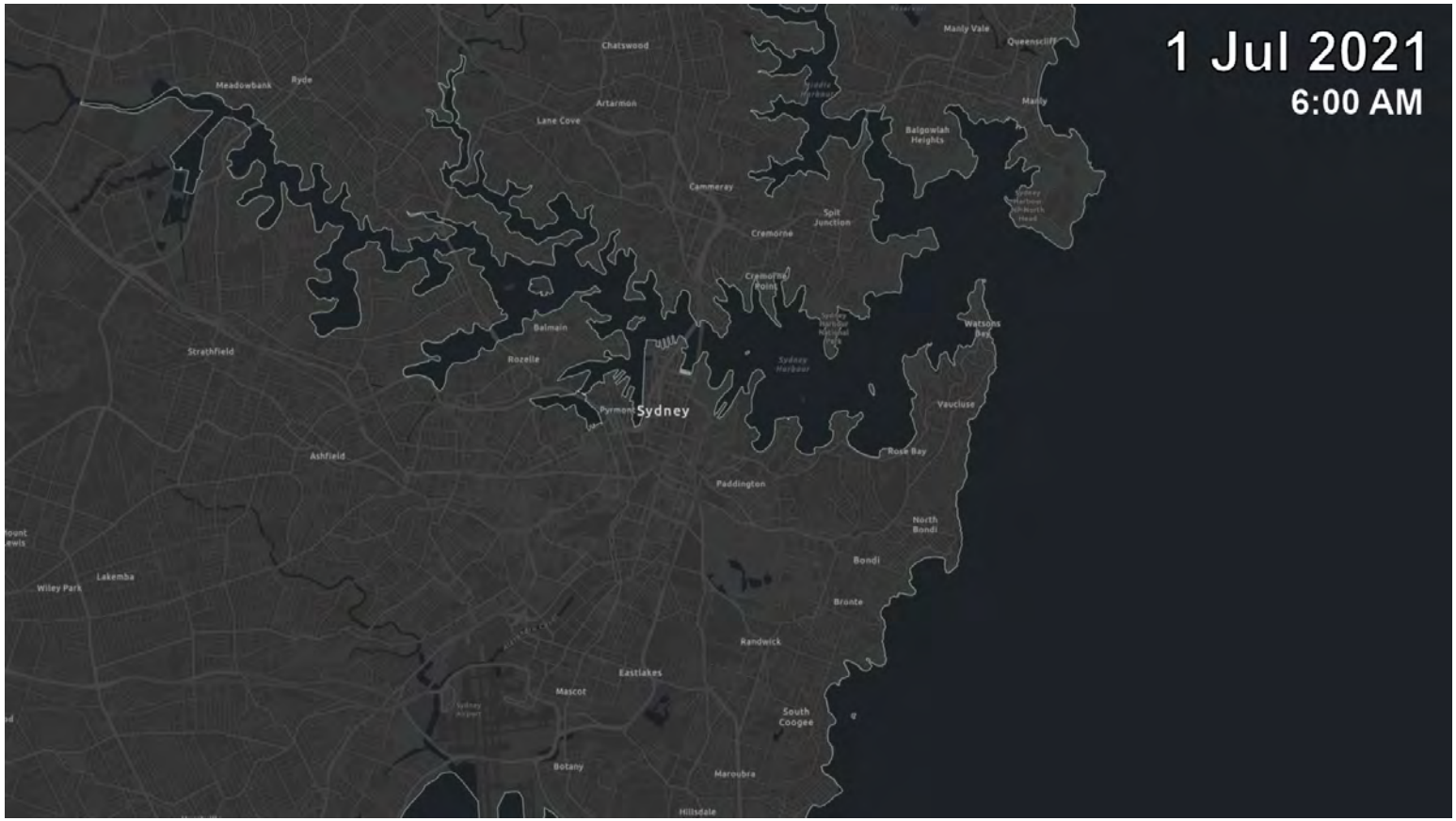
## Geospatial
# Conventional Construction Permitting Process






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# Geospatial






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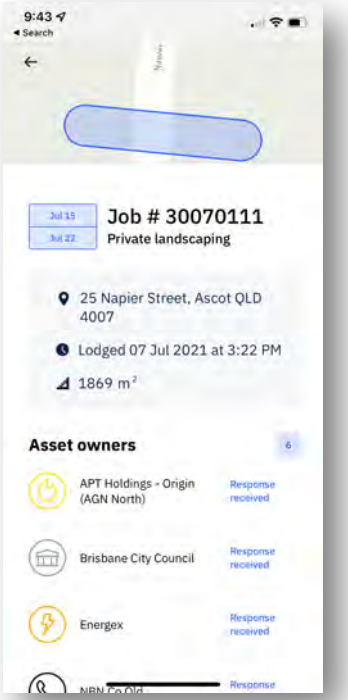
# Geospatial

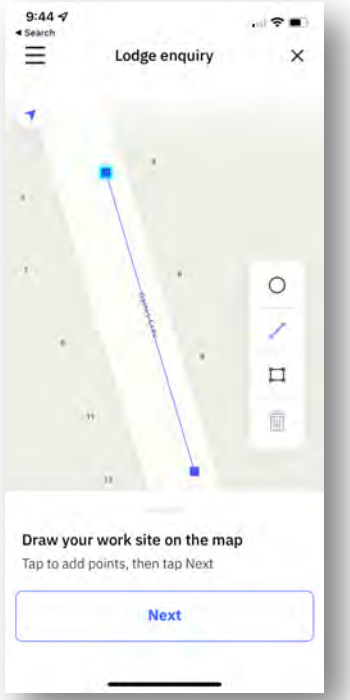


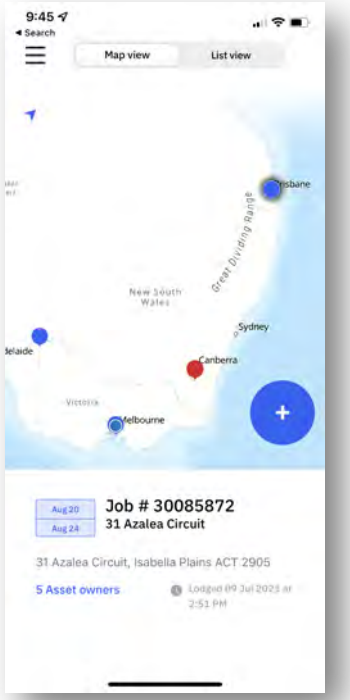
***Brett Bundock***



***Gary Johnson***




Screenshots of construction personnel making enquiries to multiple utilities companies on his smart phone



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# Healthcare
## Noteworthy Projects and Achievements

普康科健 SPORT & MEDICAL

Beijing Pukang Sport & Medical has been a major partner of the Chinese Olympic Team, collaborating with the General Administration of Sport of China to design and build bespoke equipment for professional athletes, as well as implementing training programmes for the equipment.

TOKYO 2020

BEIJING 2022



Beijing Pukang's equipment and training programmes at national training centres in preparation for the Tokyo 2020 Summer Olympics and Beijing 2022 Winter Olympics













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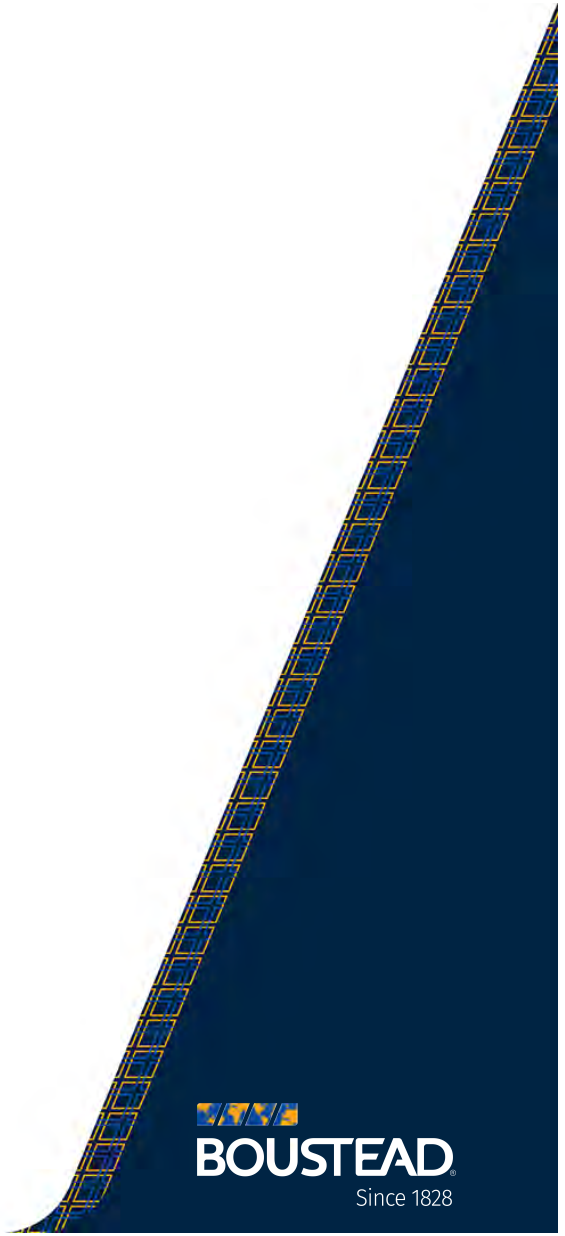


# 中国队加油！



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# Group Financial Performance



# Group Financial Results

| | **FY2021** | FY2020 | Chg (%) |
|---|---|---|---|
| Revenue | **S$685.7m** | S$726.6m | -6 |
| Gross profit | **S$173.6m** | S$167.2m | +4 |
| *Gross margin* | ***25%*** | *23%* | |
| PBT | **S$204.3m** | S$63.0m | +224 |
| *PBT margin* | ***30%*** | *9%* | |
| Total profit | **S$178.9m** | S$44.5m | +302 |
| Profit attributable to equity holders of the Company ("net profit") | **S$113.1m** | S$30.9m | +266 |
| Adjusted net profit* | **S$44.6m** | S$36.4m | +23 |
| Earnings per Share ("EPS") | **23.3cts** | 6.3cts | +270 |
| Net asset value ("NAV") per share | **92.3cts** | 70.3cts | +31 |

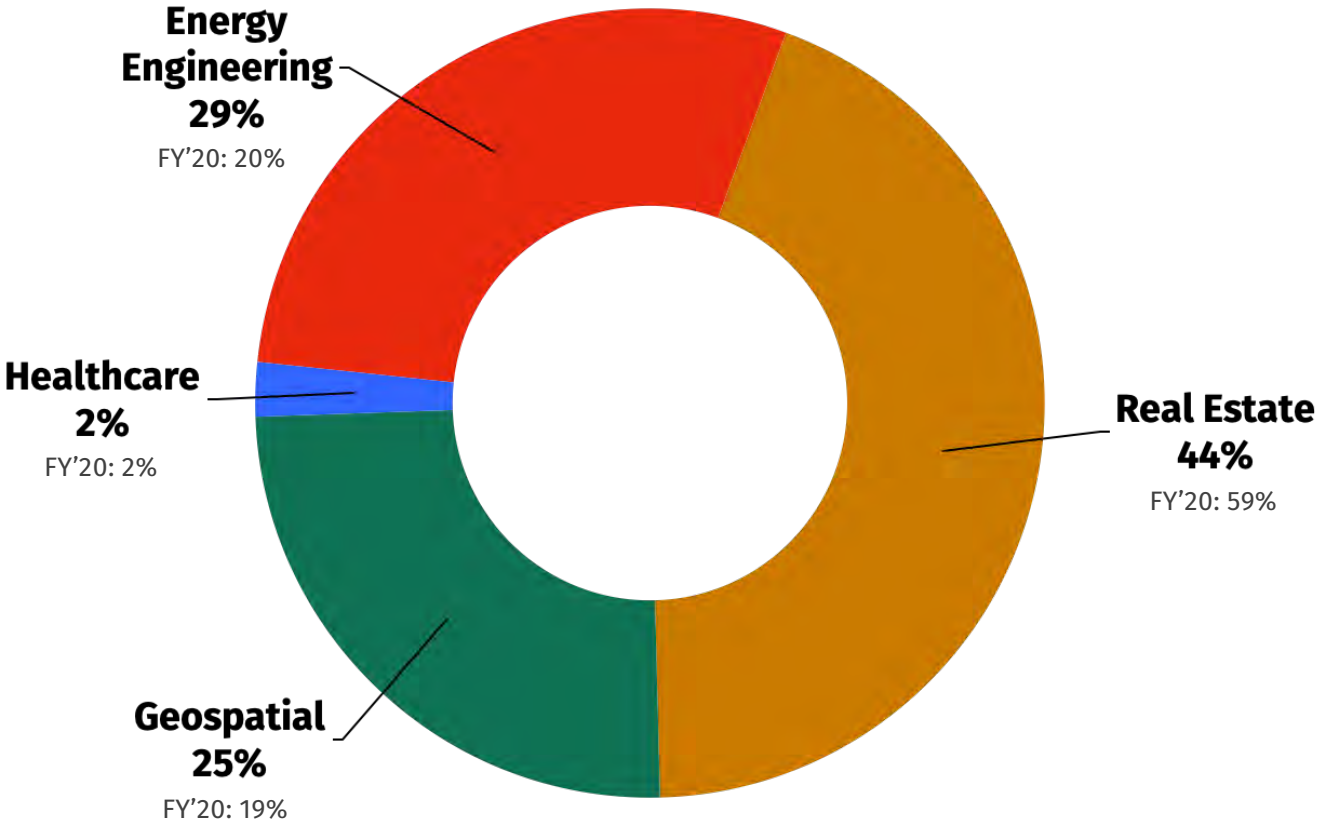
- Revenue impacted by the prolonged closure of the Singapore project sites of the Real Estate's E&C business segment
- Record net profit supported by BIF Value Unlocking Gain

* For comparative review, adjusted for other gains/losses net of non-controlling interests (includes BIF Value Unlocking Gain), one-off net gain from sale of water business, impairment losses, one-off legal settlement and payouts received from Jobs Support Scheme



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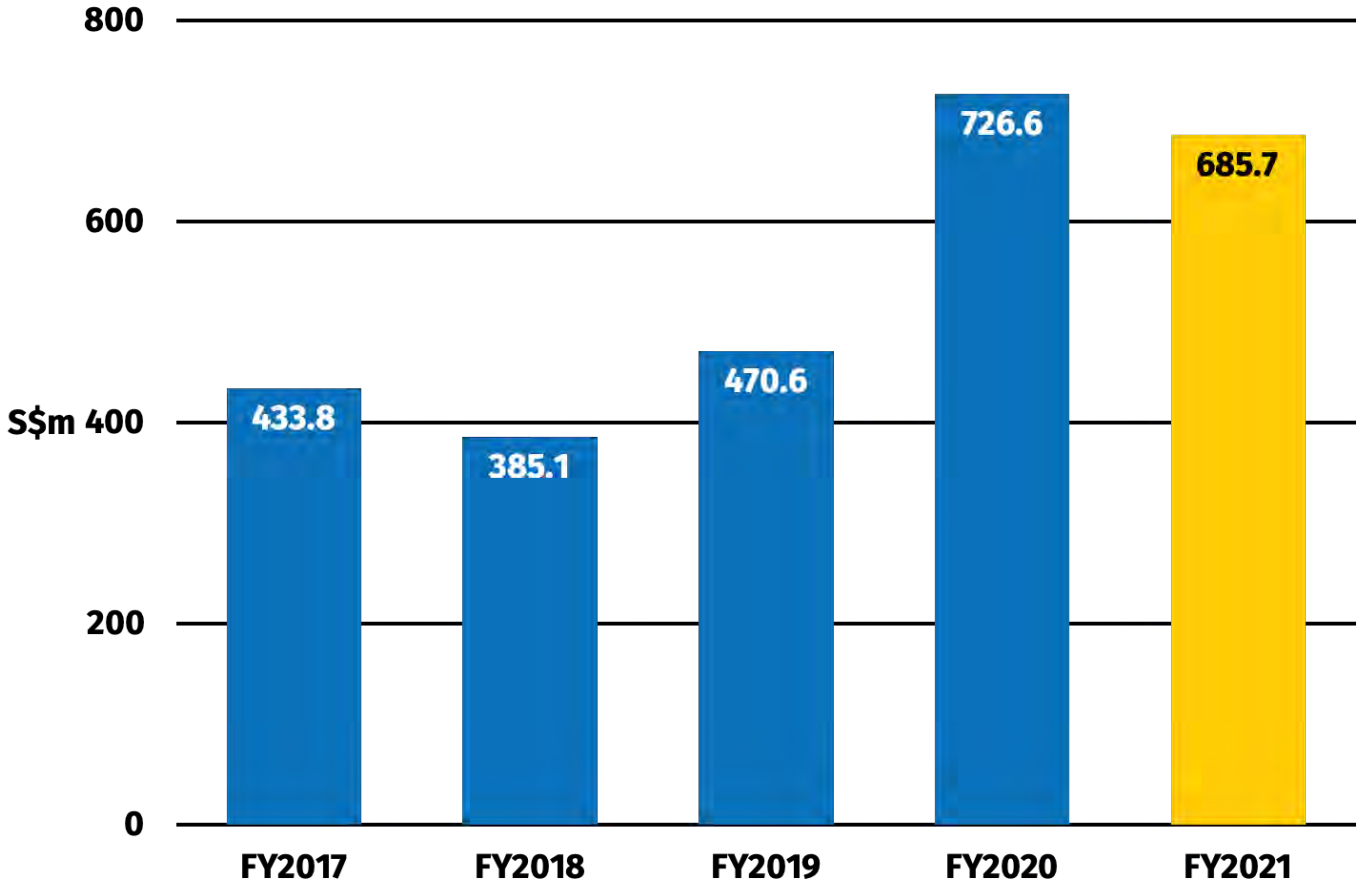
# Group Revenue Mix by Division






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# Group Revenue

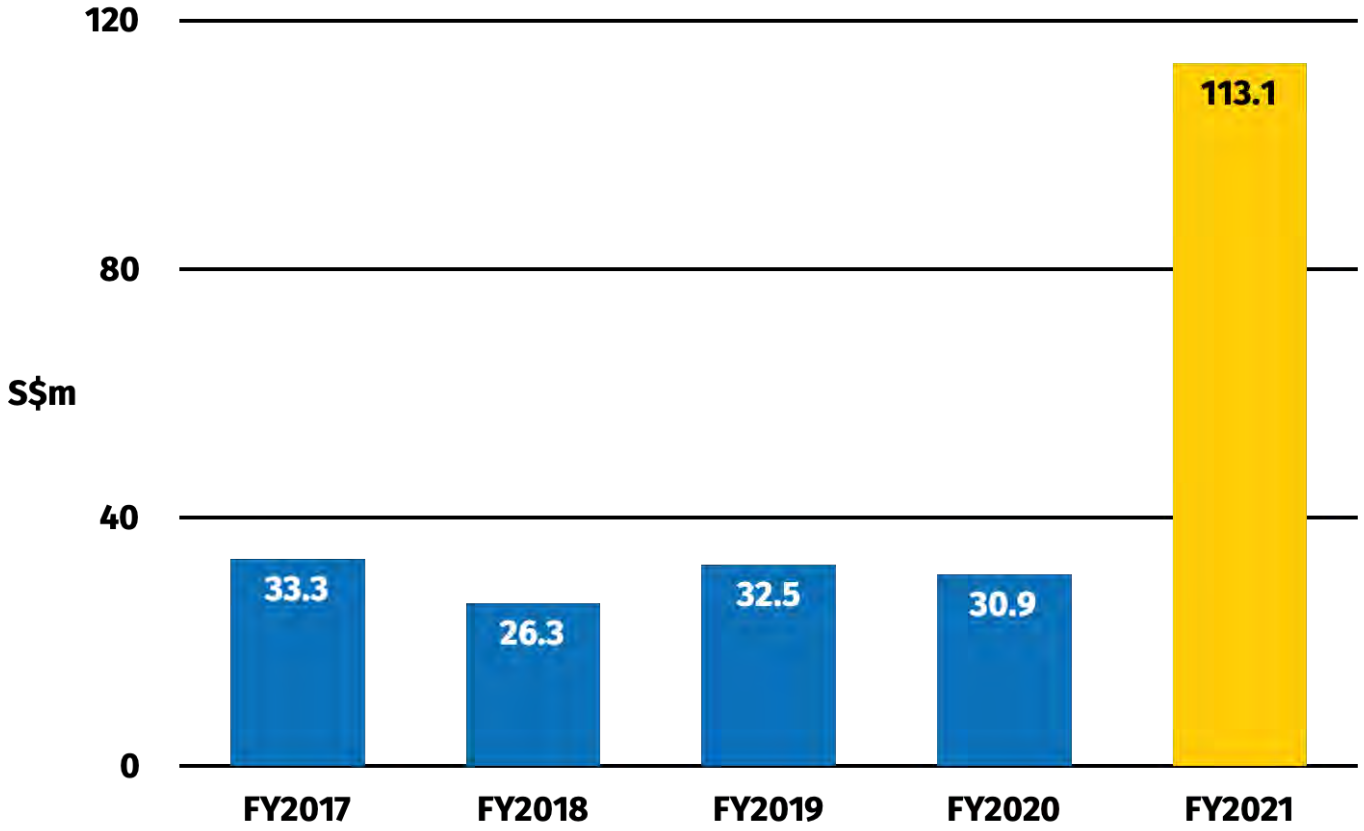



- Impact on Real Estate revenue buffered by better Energy Engineering and Geospatial revenue
- Second highest revenue achieved over past decade



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# Group Net Profit

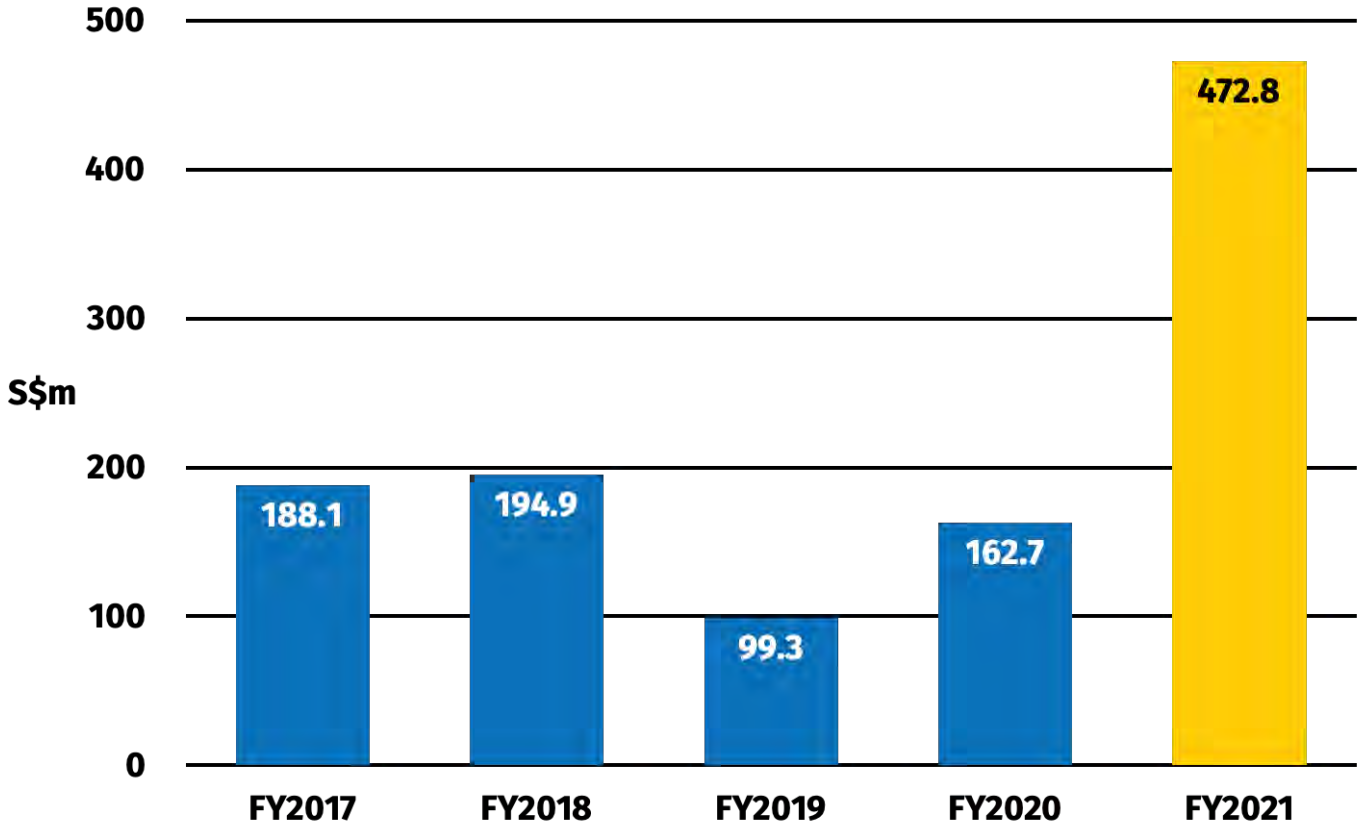



- Record net profit in listed history since 1975



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# Group Net Cash Position

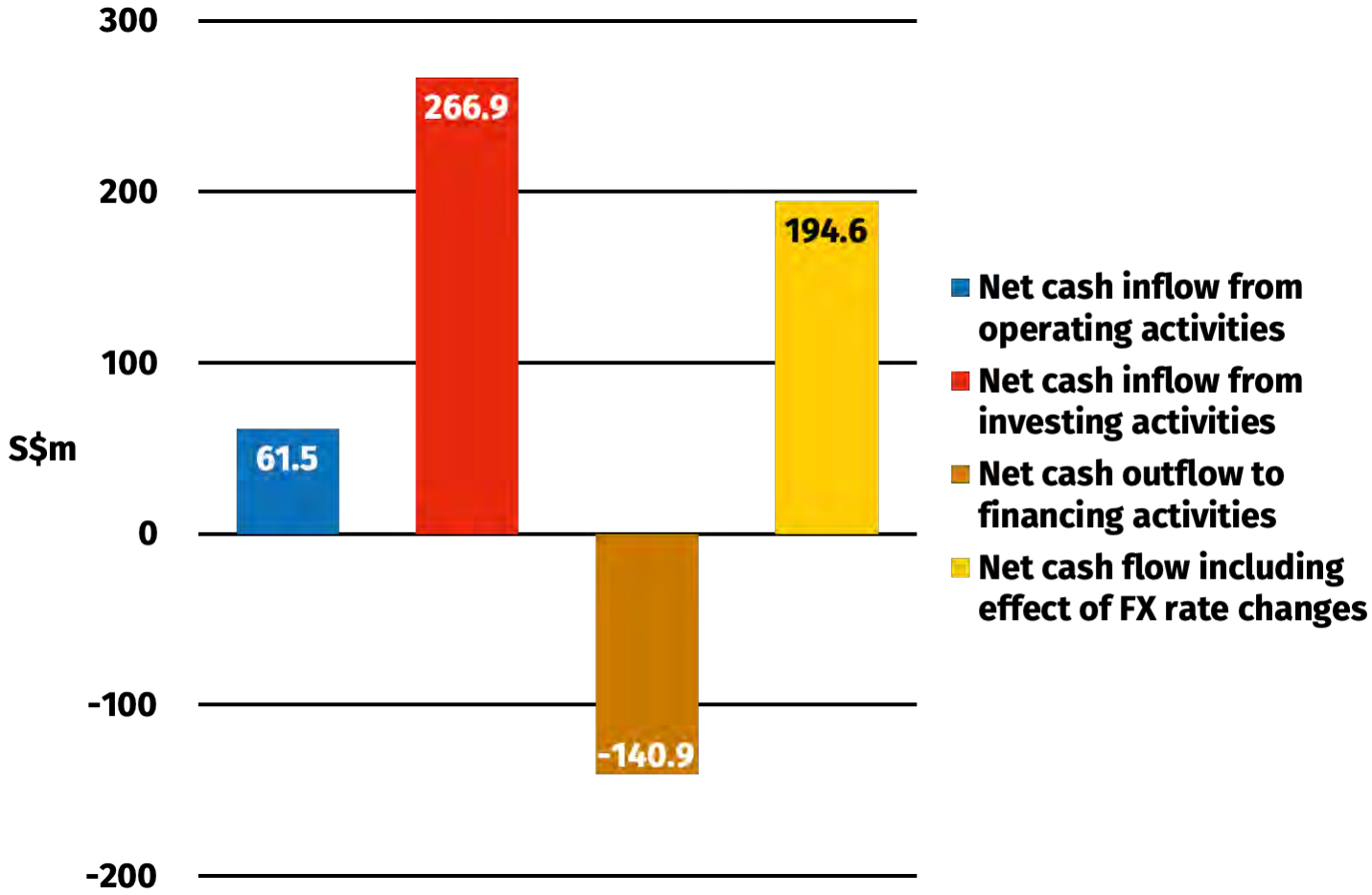



- Strong cash levels for capital allocation



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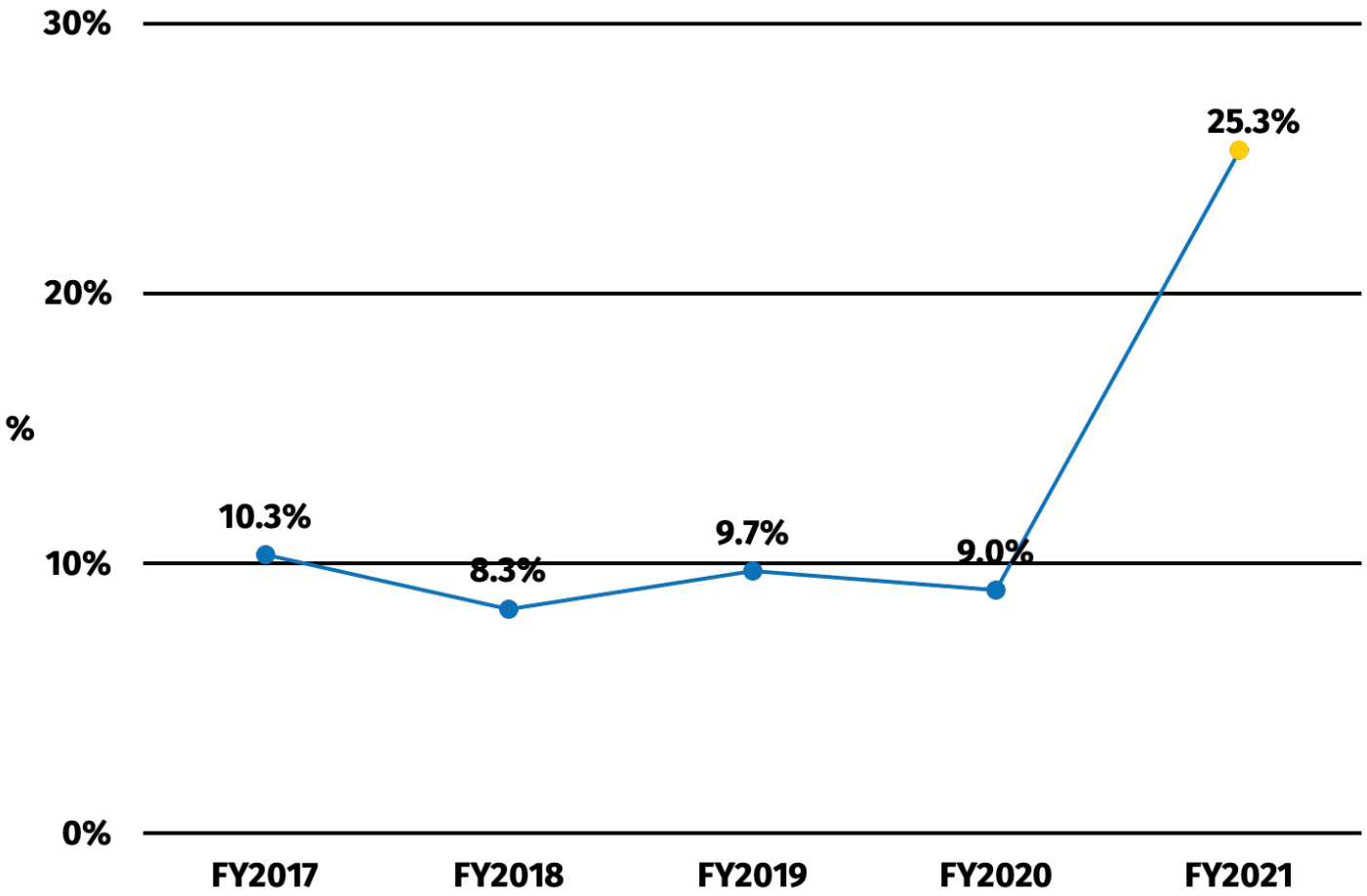
# FY2021 Group Cash Flow






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# Group Return on Shareholders' Equity

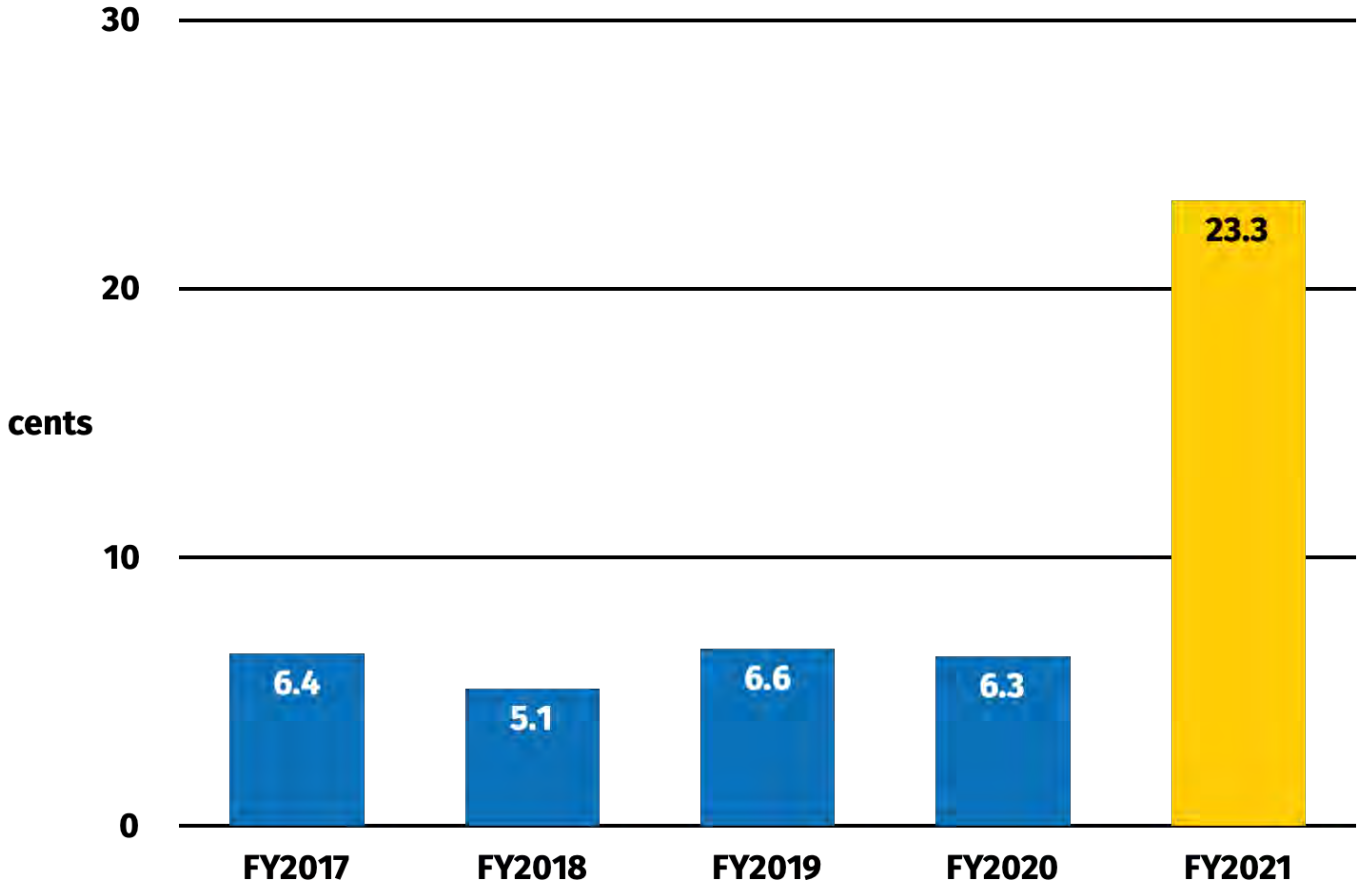



- ROE boosted by BIF Value Unlocking Gain



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# Group EPS

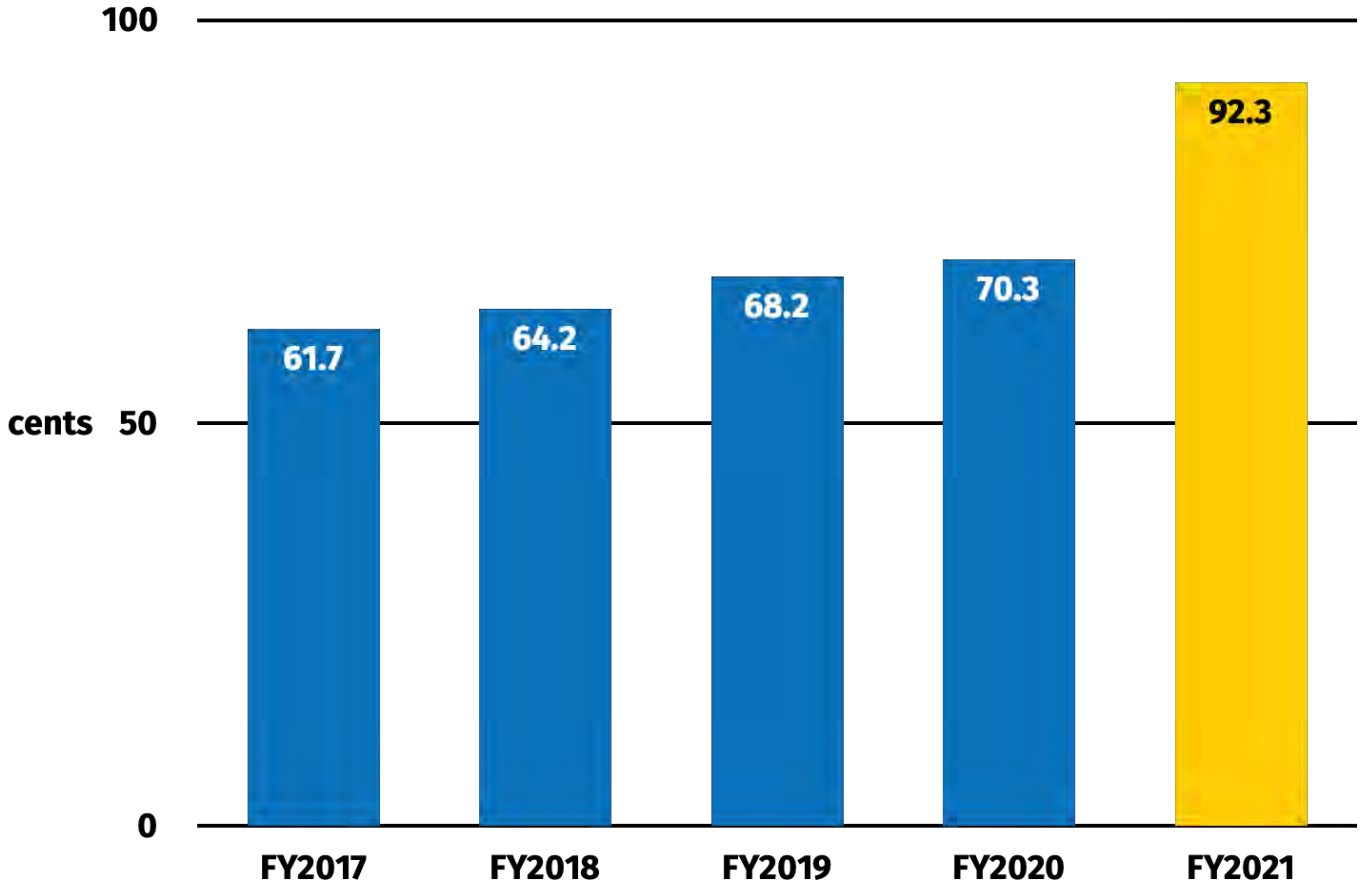



- Record EPS supported by BIF Value Unlocking Gain



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# Group NAV per Share

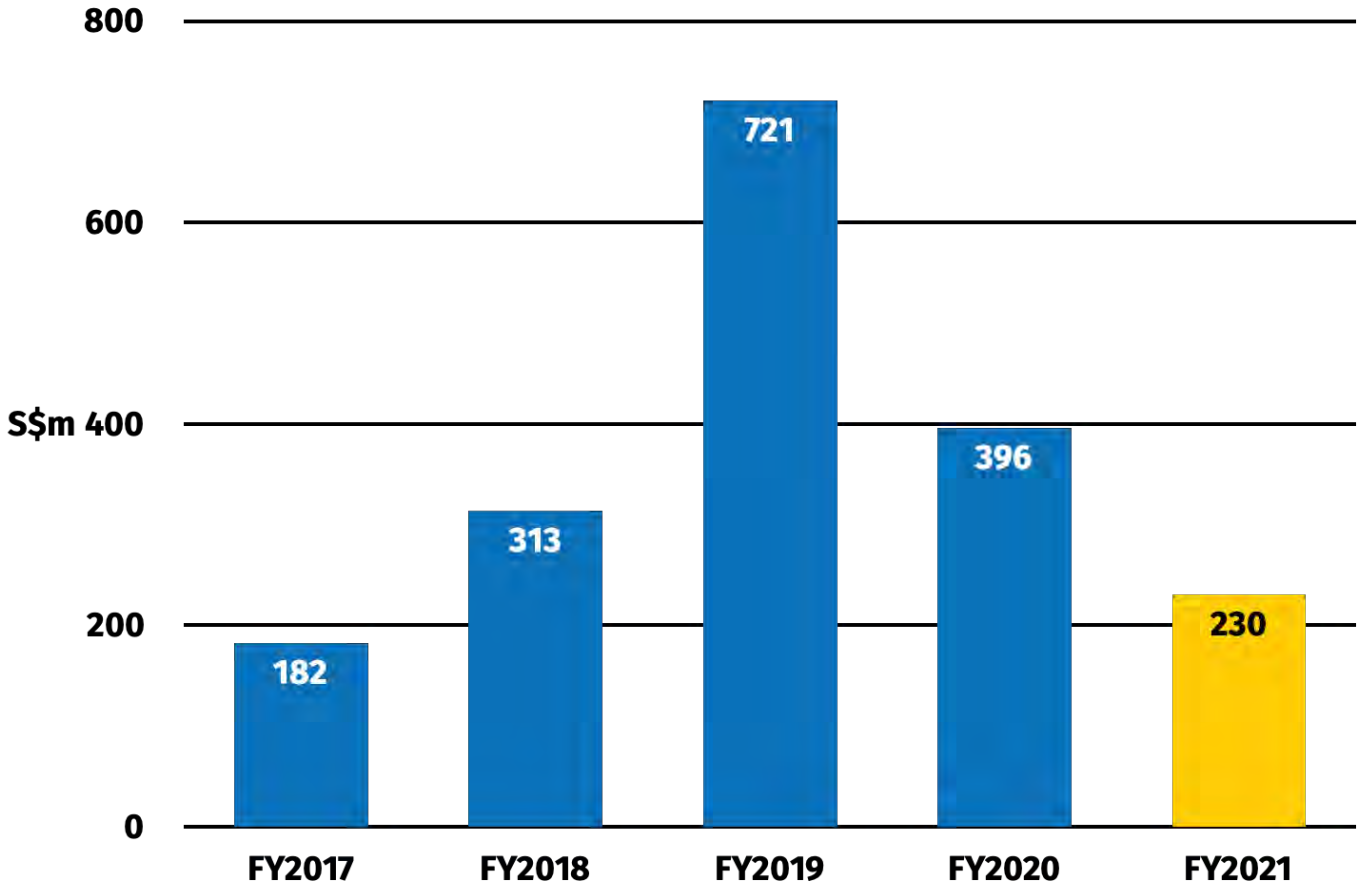



- Highest NAV per share on record



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# Group Orders Secured




- Business development activities impacted by pandemic



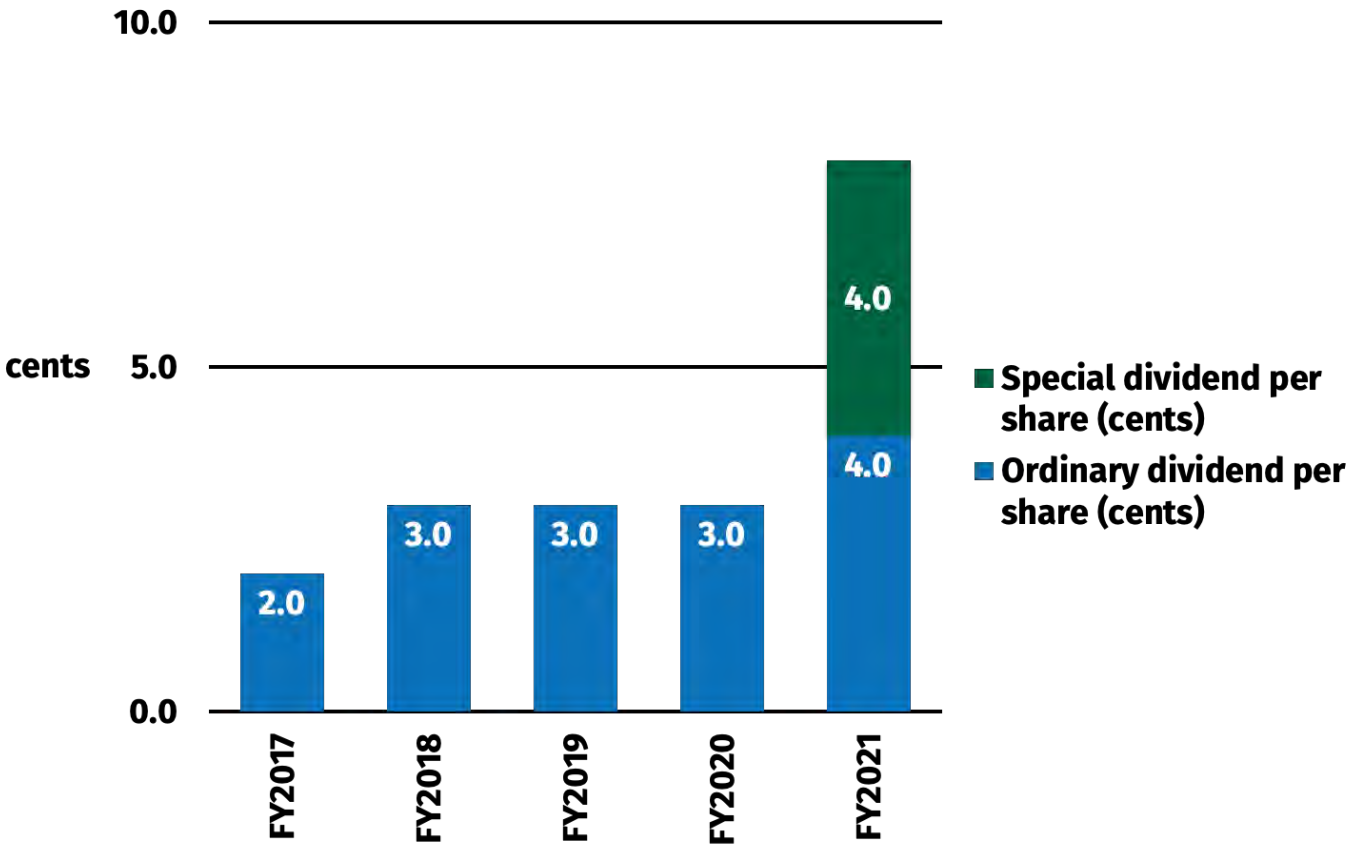
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# Group Dividend

| | **FY2021** | FY2020 |
|---|---|---|
| Interim dividend | **1.0cts** | 1.0cts |
| Final dividend | ***3.0cts** | 2.0cts |
| Special dividend | ***4.0cts** | 0.0cts |
| Total dividend | **8.0cts** | 3.0cts |

* Proposed

# Group Dividend (cont'd)






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## Thank You