BOUSTEAD Projects

Boustead Projects Limited FY2022 Annual General Meeting

Management Presentation

28 July 2022



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Presentation Agenda

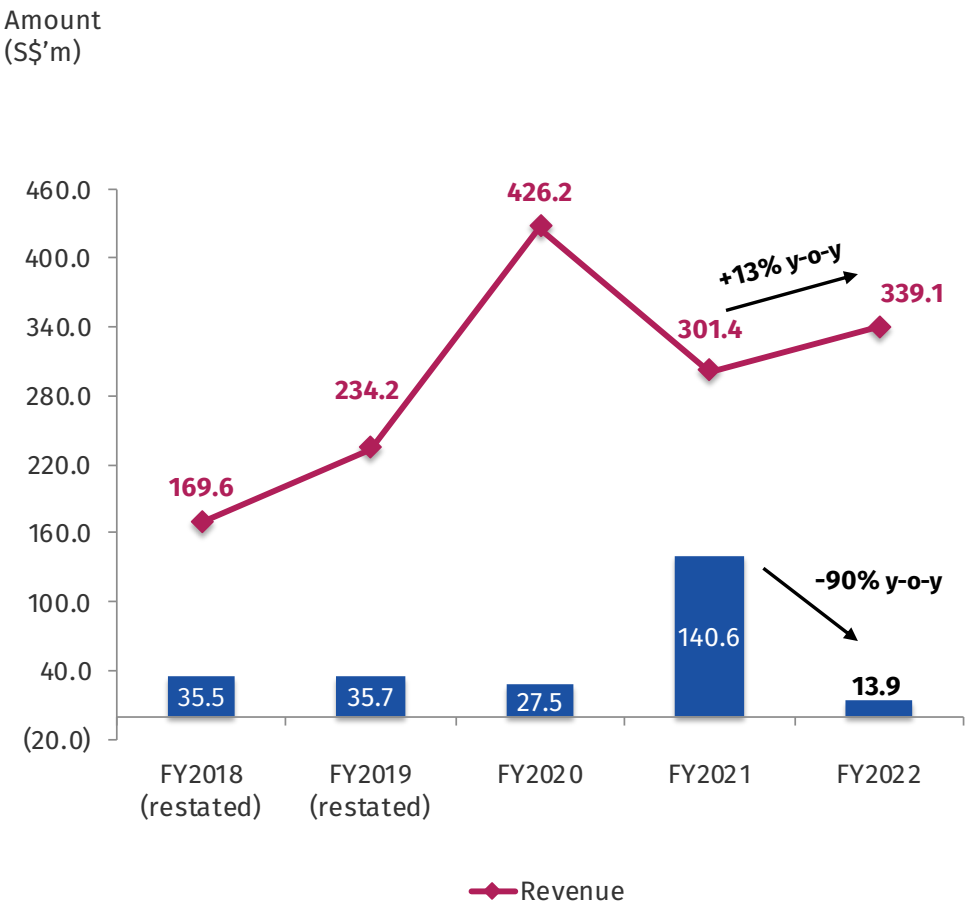
1. Boustead Projects (BP) Group Financial Performance Summary
2. Overview
3. Business Review – Engineering & Construction (“E&C”)
4. Business Review – Real Estate

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BP Group
Financial Performance Summary

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BP Group Financial Performance Summary



- **Overall revenue was higher** mainly due to higher revenue recognition on Engineering & Construction ("E&C") projects, partially offset by reduction in rental revenue from Real Estate.

- Significantly lower profit before tax ("PBT") was due to the absence of the Boustead Industrial Fund ("BIF")'s value-unlocking transaction one-off gain ("BIF Value-Unlocking Gain").

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Overview

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Road to Gradual Recovery

Prudent execution

Prudent, selective approach in rebuilding order backlog in high value-added sectors to better deploy our deep expertise to mitigate risks and preserve margins.

Cautious approach in taking on new developments due to market volatility, inflationary risk and continued compression of development margins.

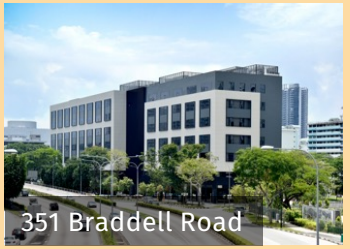
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Road to Gradual Recovery

Prudent Execution

Strengthened real estate platforms

Initiated first post-launch injection of property into **Boustead Industrial Fund** (**"BIF")** – 351 on Braddell.



Improved occupancy of portfolio of development assets outside of BIF.

Acquisition of shareholding in **KTG & Boustead Joint Stock Company ("KBJSC")**.

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Road to Gradual Recovery

Prudent execution

Strengthened real estate platforms

Refocused expansion plans

Capabilities expansion

- Pivoting to more focused construction methodologies - delivering Super Low Energy-rated development and Zero Energy Building.

Regional expansion

- Strengthening presence in Vietnam through acquisition of 60% shareholding in KBJSC
- Expansion of E&C activities regionally.

Asset class expansion

- Acquisition of asset on 28 & 30 Bideford Road.

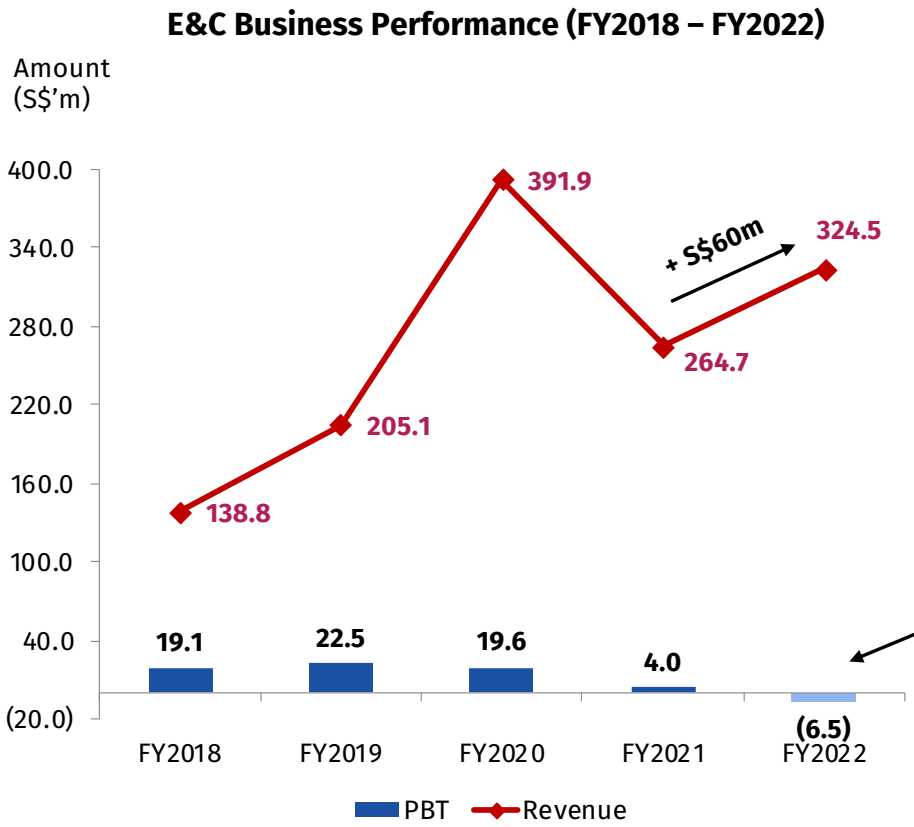

28 & 30 Bideford Road

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Business Review – Engineering & Construction (“E&C”)

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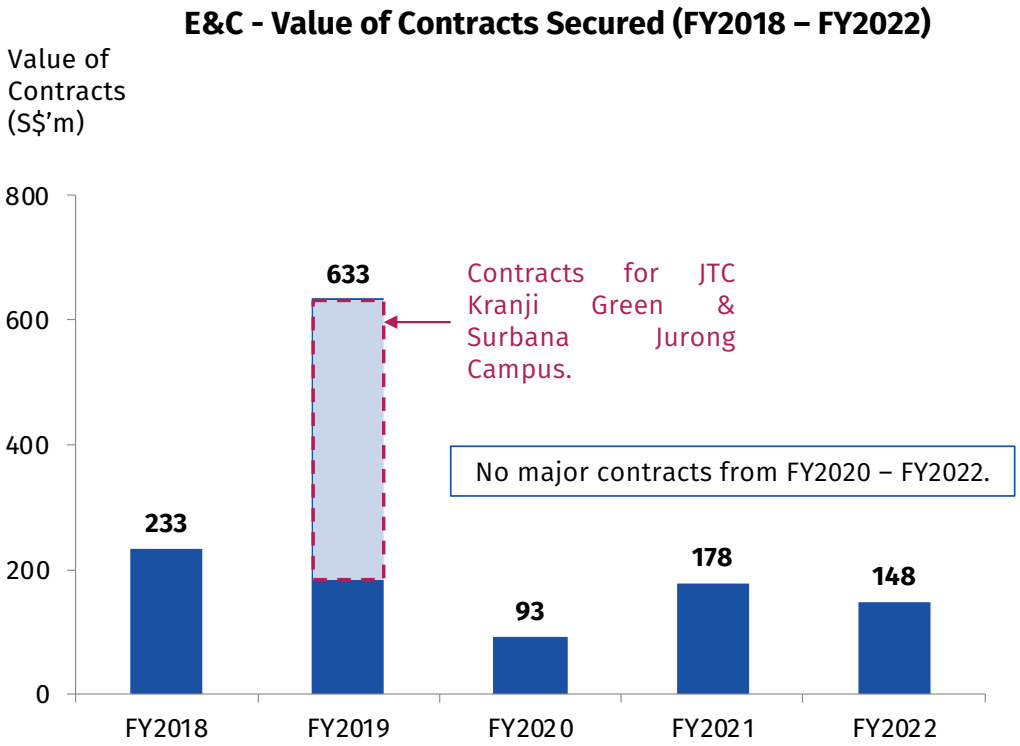
Business Review: E&C



- Higher revenue was due to **greater revenue recognition on E&C projects**.
- Loss before income tax was due to the delivery of E&C projects secured pre-pandemic, which suffered from elevated pandemic-related costs.

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Business Review: E&C (cont'd)



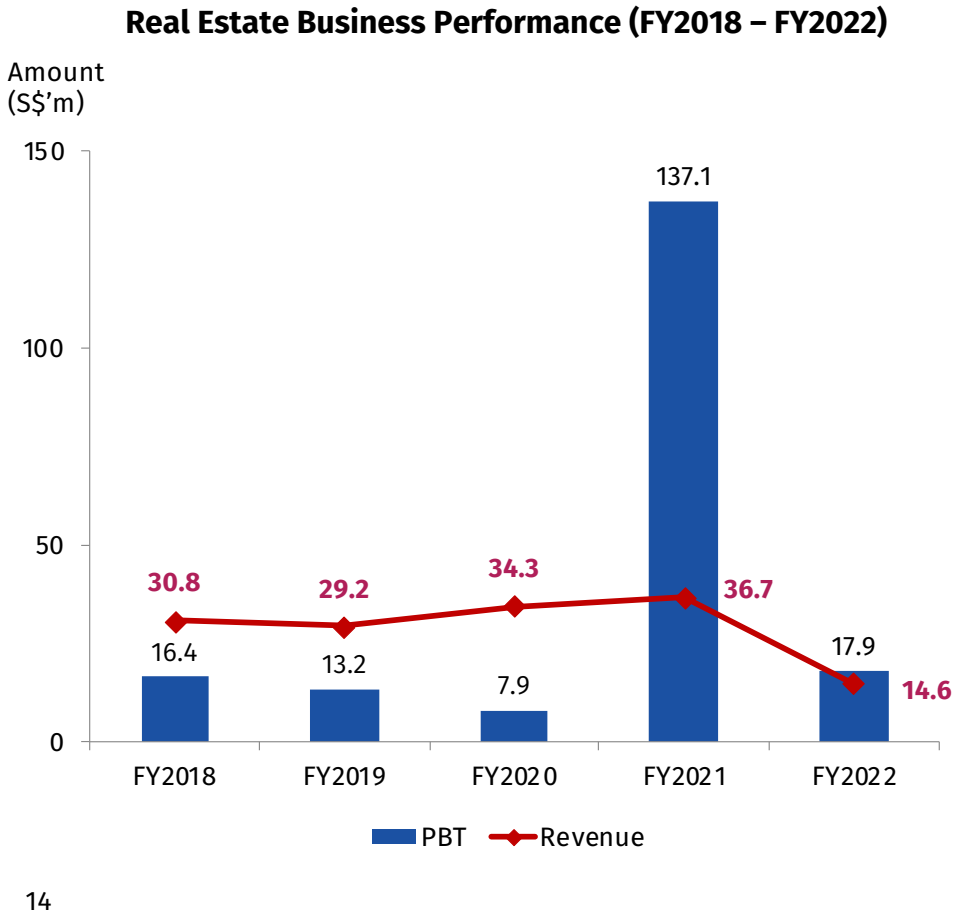
- In FY2022, **S$148 million** of contracts were secured.
- Lower contracts secured was due to a strategy shift to focus on high value-added sectors, and to better manage resources to complete projects secured pre-pandemic.
- Contract of approximately **S$300 million by Fortune 500 corporation** secured in Jul 2022, the largest on record.

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Business Review – Real Estate

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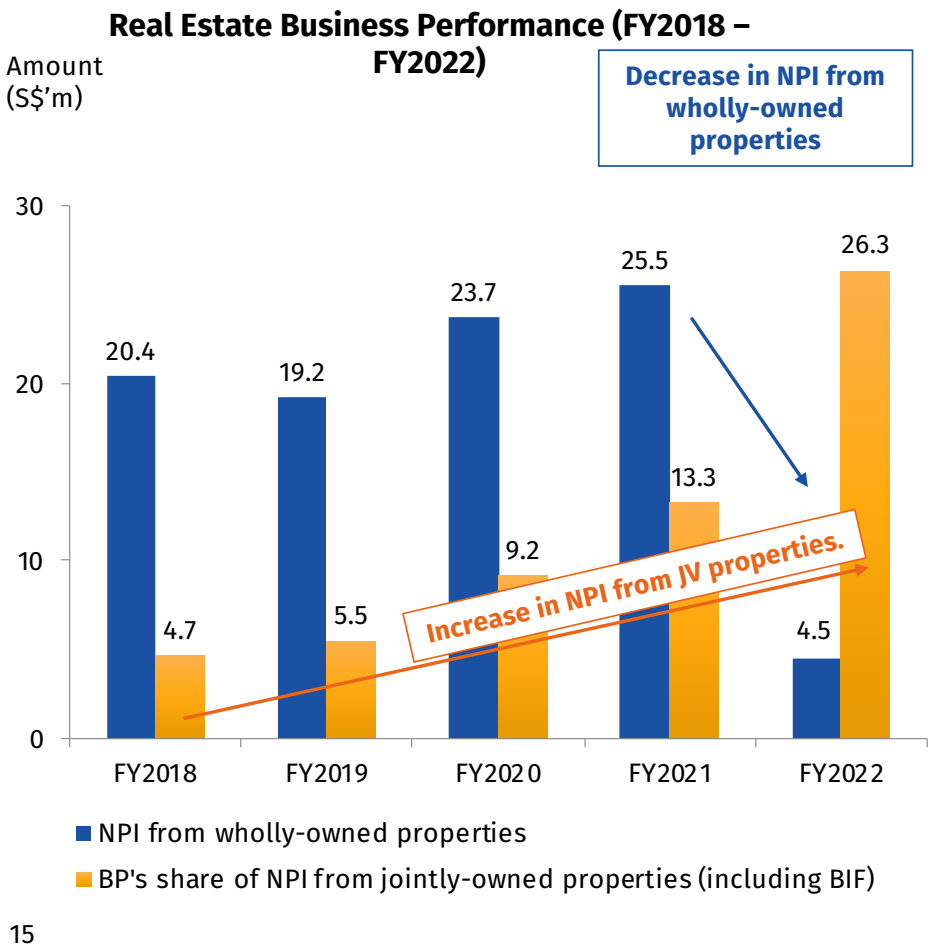
Business Review: Real Estate



- Lower revenue was due to the **sale of interests in 14 properties to BIF in FY2021.**
- Lower PBT was in line with reduced rental revenue and an absence of the BIF Value-Unlocking Gain; partially boosted by BIF income streams and the sale of 351 on Braddell to BIF.

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Business Review: Real Estate



- **Higher NPI from jointly-owned properties** was recorded due to **higher committed occupancies,** as well as recognition of contributions from Razer SEA HQ and 351 on Braddell.

- Lower NPI from wholly-owned properties was recorded due to the **disposal of properties to BIF in March 2021,** partially offset by **higher rental contributions from Boustead Industrial Park Phases 1 and 2A in Vietnam.**

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Business Review: Real Estate (cont'd)

Different real estate platforms across asset classes as growth drivers

Total AUM approaching S$2 billion

Platforms	Sg Industrial Development	Sg Industrial Core	Sg Non-Industrial	Vn Industrial Development
AUM (S$'m)	577	689	550	158
Market	Regional Industrial	Singapore Industrial	Singapore Mixed-Use	Vietnam Industrial
Number of assets	8	15	1	8 (completed assets)
Occupancy rate	97%	98%	-	83%
WALE (years)	>8	>5	-	>3

Entering into new asset class – 28 & 30 Bideford Road

- **Grade A 18-floor freehold luxury mixed-use development** along 28 & 30 Bideford Road with a land area of 2,007 square metres ("sqm") and gross floor area of 14,638 sqm.



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Group Financial Position

Financial Performance	FY2021	FY2022
Total borrowings (S$'m)	2.5	**10.6**
Cash & cash equivalents (S$'m)	298.0	**213.9**
Net cash (S$'m)	295.5	**203.3**
Total equity (S$'m)	425.9	**392.5**
Debt-to-equity ratio*	0.6%	**2.7%**
Loan-to-valuation**	0.0%	**9.5%**
Interest coverage ratio (times)***	156.1	**100.1**

* Based on total borrowings divided by total equity.
** Based on total secured borrowings divided by total valuation of properties held for sale and investment properties.
*** Based on profit before depreciation, amortisation, interest and income tax divided by interest expense on borrowings.

Looking Ahead

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Looking Ahead

- The BP Group expects to clear the pre-pandemic order backlog and **accelerate rebuilding of order backlog in high value-added sectors with risk mitigation strategies in place**.
- The BP Group will **progressively benefit from assets that are near stabilisation**, including ALICE@Mediapolis, Razer SEA HQ and 6 Tampines Industrial Avenue 5. Stabilised assets can then potentially be primed for injection to BIF progressively.
- With improved market conditions, the BP Group expects to **increase AUM in Vietnam under KTG & Boustead Industrial Logistics Fund**, ramp-up occupancy and securing new investors to further expand the platform.
- The BP Group expects to **prime 28 & 30 Bideford Road for operations** and potentially syndicate ownership to third-party institutional investors.
- The **BP Group expects to remain profitable for FY2023**, barring any unforeseen circumstances and further disruptions caused by the pandemic.

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Words of Appreciation for Boustead Projects Colleagues and Stakeholders



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