

Company Announcement



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

82 Ubi Avenue 4
#07-01 Edward Boustead Centre
Singapore 408832

BOUSTEAD PROJECTS ENTERS INTO SETTLEMENT OF ARBITRATION PROCEEDINGS

- ***Settlement of arbitration proceedings with a customer in respect of project undertaken in 2008***

Singapore, 26 October 2016

1) Introduction

The Board of Directors of Boustead Projects Limited (the "Company") refers to the Introductory Document dated 31 March 2015 where it was disclosed that a customer of the Company had commenced or purported to commence arbitration proceedings against the Company in relation to a dispute over a warehouse construction project in Singapore undertaken by the Company in 2008.

2) Settlement

The Board is pleased to announce that the Company has reached an amicable settlement with the customer and entered into a Settlement Agreement on 26 October 2016, in full and final settlement of the matter. Following the Settlement Agreement, the arbitration shall be discontinued without admission of liability by either party.

It was also previously stated in the Introductory Document that should the arbitral tribunal rule in favour of the customer, the Company could potentially be subject to a net payment of approximately S\$3.2 million plus costs and interest. The Settlement Agreement does not require the Company to make any payment to the customer and vice versa.

The Settlement Agreement is not expected to have any material financial impact on the Company and its subsidiaries for the financial year ending 31 March 2017.

By Order of the Board

Tay Chee Wah
Company Secretary

Boustead Projects Limited's admission to and listing on the Singapore Exchange Securities Trading Limited was sponsored by CIMB Bank Berhad, Singapore Branch. CIMB Bank Berhad, Singapore Branch assumes no responsibility for the contents of this announcement.

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. We are 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, electronics, food processing, healthcare, high-tech manufacturing, lifestyle, logistics, oil & gas, petrochemical, precision engineering, R&D, 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 U.S. Green Building Council's Leadership in Energy & Environmental Design Program. In Singapore, we are one of only nine 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 51%-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.

Visit us at www.bousteadprojects.com.

Contact Information

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