

BOUSTEAD SINGAPORE LIMITED
AND ITS SUBSIDIARIES



ENGINEERING THE WORLD OF THE FUTURE

ENERGY-RELATED ENGINEERING • REAL ESTATE SOLUTIONS • GEO-SPATIAL TECHNOLOGY

SGXNET ANNOUNCEMENT
UNAUDITED RESULTS FOR 3Q FY2018
ENDED 31 DECEMBER 2017



Corporate Profile

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering Services and Geo-Spatial Technology Group listed on the SGX Mainboard. Focusing on the engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions.

Under our Geo-Spatial Technology arm, we provide professional services and exclusively distribute Esri geo-spatial technology – the world's leading geographic information system – to major markets across Australia and parts of South East Asia. Our intelligent mapping platform and digital infrastructure are essential to create smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, Boustead is ready to serve the world. To date, we have undertaken infrastructure-related projects in 85 countries and territories globally.

In 2008 and 2009, we were recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific's 200 best public-listed corporations under US\$1 billion in revenue. In 2015, we were also the winner of the Singapore Golden Jubilee Business Award, in recognition of the best 50 Singapore corporations who have achieved and contributed to Singapore's progress and success over the past 50 years since independence. In 2017, we were ranked by FinanceAsia as Singapore's Best Small-Cap in the annual Asia's Best Companies Poll. We are also listed on the MSCI World Small Cap Index for Singapore and the FTSE ST Small Cap Index.

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BOUSTEAD SINGAPORE LIMITED
(Company Registration No. 197501036K)

Unaudited Financial Statements and Related Announcement for the Third Quarter Ended 31 December 2017

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL-YEAR ANNOUNCEMENTS

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	GROUP Third quarter ended			GROUP 9-month period ended		
		31.12.17 \$'000	31.12.16 \$'000	Inc/(Dcr) %	31.12.17 \$'000	31.12.16 \$'000	Inc/(Dcr) %
Revenue		102,150	115,732	-12%	297,370	342,892	-13%
Cost of sales		(63,227)	(77,917)	-19%	(184,734)	(232,974)	-21%
Gross profit		38,923	37,815	3%	112,636	109,918	2%
Other income	1	1,424	1,535	-7%	3,884	4,424	-12%
Other (losses)/gains – net	2	(1,319)	3,136	NM	(4,489)	4,973	NM
Expenses							
- Selling and distribution		(7,336)	(7,510)	-2%	(22,631)	(22,902)	-1%
- Administrative		(14,575)	(15,686)	-7%	(45,448)	(45,881)	-1%
- Finance		(517)	(549)	-6%	(1,489)	(1,884)	-21%
Share of loss of an associated company and joint ventures		(1,168)	(1,104)	6%	(1,895)	(2,171)	-13%
Profit before income tax	3	15,432	17,637	-13%	40,568	46,477	-13%
Income tax expense	4	(3,283)	(3,505)	-6%	(10,002)	(9,966)	0%
Total profit		12,149	14,132	-14%	30,566	36,511	-16%
Profit attributable to:							
Equity holders of the Company		7,802	9,451	-17%	17,849	24,069	-26%
Non-controlling interests		4,347	4,681	-7%	12,717	12,442	2%
		12,149	14,132	-14%	30,566	36,511	-16%

NM – not meaningful

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP			GROUP		
	Third quarter ended			9-month period ended		
	31.12.17	31.12.16	Inc/(Dcr)	31.12.17	31.12.16	Inc/(Dcr)
	\$'000	\$'000	%	\$'000	\$'000	%
Total profit	12,149	14,132	-14%	30,566	36,511	-16%
Other comprehensive income/(loss):						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Available-for-sale financial assets						
- Fair value gains/(losses)	756	(921)	NM	558	(790)	NM
- Reclassification to profit or loss on disposal	(75)	(134)	-44%	(225)	(53)	325%
Currency translation gains/(losses) arising from consolidation	(351)	(250)	40%	1,426	(4,019)	NM
<i>Item that will not be reclassified subsequently to profit or loss:</i>						
Remeasurement of retirement benefit obligation, net of tax	-	(102)	-100%	14	(310)	NM
Other comprehensive income/(loss), net of tax	330	(1,407)	NM	1,773	(5,172)	NM
Total comprehensive income	12,479	12,725	-2%	32,339	31,339	3%
Total comprehensive income attributable to:						
Equity holders of the Company	8,115	8,164	-1%	19,476	19,246	1%
Non-controlling interests	4,364	4,561	-4%	12,863	12,093	6%
	12,479	12,725	-2%	32,339	31,339	3%

NM – not meaningful

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year. (cont'd)

	GROUP Third quarter ended			GROUP 9-month period ended		
	31.12.17 \$'000	31.12.16 \$'000	Inc/(Dcr) %	31.12.17 \$'000	31.12.16 \$'000	Inc/(Dcr) %
<u>Note 1: Other income</u>						
Interest income	1,117	1,218	-8%	2,980	3,475	-14%
Sublease income	307	317	-3%	904	949	-5%
	1,424	1,535	-7%	3,884	4,424	-12%
<u>Note 2: Other (losses)/gains – net</u>						
Fair value (losses)/gains on derivative financial instruments and financial assets held for trading	(787)	(316)	149%	(616)	306	NM
Gains on disposal of available-for-sale financial assets	75	134	-44%	225	53	325%
Currency exchange (losses)/gains – net	(607)	3,318	NM	(4,098)	4,614	NM
	(1,319)	3,136	NM	(4,489)	4,973	NM
<u>Note 3: Profit before income tax is arrived at after charging the following:</u>						
Depreciation expense	(2,453)	(2,648)	-7%	(7,447)	(7,882)	-6%
Employee share-based compensation expense	(181)	-	NM	(498)	-	NM
Amortisation of intangible assets	(55)	(55)	0%	(166)	(162)	2%
<u>Note 4: Income tax expense</u>						
The provision for income tax is made after taking into account non-deductible expenses and temporary differences, and based on the statutory income tax rates of the respective countries. For the current period, the Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17%, mainly due to certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are subject to higher income tax rates.						

NM – not meaningful

1.(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statements of Financial Position

	Note	GROUP		COMPANY	
		31.12.17 \$'000	31.3.17 \$'000	31.12.17 \$'000	31.3.17 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		280,833	276,499	67,091	68,584
Trade receivables		115,292	100,797	-	-
Other receivables and prepayments		45,084	64,565	4,881	6,183
Financial assets held for trading		983	994	983	994
Loans to subsidiaries		-	-	17,277	15,237
Inventories		4,629	4,370	-	-
Properties held for sale		30,682	30,612	-	-
Contracts work-in-progress		28,517	28,198	-	-
Available-for-sale financial assets		26,581	250	26,581	250
		532,601	506,285	116,813	91,248
Non-current assets					
Trade receivables		483	-	-	-
Other receivables and prepayments		3,322	6,577	-	-
Available-for-sale financial assets		44,773	65,903	24,254	45,384
Property, plant and equipment		12,189	11,699	-	-
Investment properties		130,042	134,796	-	-
Intangible assets		809	992	74	74
Investments in associated companies		325	-	-	-
Investments in joint ventures		35,744	32,354	-	-
Investments in subsidiaries		-	-	75,938	76,965
Deferred income tax assets		2,886	2,968	-	-
		230,573	255,289	100,266	122,423
Total assets		763,174	761,574	217,079	213,671
LIABILITIES					
Current liabilities					
Trade and other payables		177,504	181,252	1,161	1,098
Income tax payable		13,093	12,946	-	-
Loans from subsidiaries		-	-	49,492	46,097
Contracts work-in-progress		15,633	20,688	-	-
Borrowings	1(b)(ii)	18,095	18,295	-	-
Derivative financial instruments		1,249	653	384	653
		225,574	233,834	51,037	47,848
Non-current liabilities					
Trade and other payables		5,662	6,883	-	-
Borrowings	1(b)(ii)	66,926	70,059	-	-
Pension liability		2,646	2,936	-	-
Deferred income tax liabilities		3,524	3,204	-	-
		78,758	83,082	-	-
Total liabilities		304,332	316,916	51,037	47,848
NET ASSETS		458,842	444,658	166,042	165,823
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital		104,555	104,555	104,555	104,555
Treasury shares		(13,100)	(13,048)	(13,100)	(13,048)
Other reserves		(26,361)	(27,770)	3,746	3,539
Retained profits		263,023	258,215	70,841	70,777
		328,117	321,952	166,042	165,823
Non-controlling interests		130,725	122,706	-	-
Total equity	1(d)(i)	458,842	444,658	166,042	165,823

1.(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable within one year or less, or on demand

As at 31.12.17 \$'000		As at 31.3.17 \$'000	
Secured	Unsecured	Secured	Unsecured
18,095	-	18,295	-

Amount repayable after one year

As at 31.12.17 \$'000		As at 31.3.17 \$'000	
Secured	Unsecured	Secured	Unsecured
66,926	-	70,059	-

Total borrowings of \$85,021,000 (31.3.17: \$88,354,000) are secured over properties held for sale and investment properties of the Group.

1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	GROUP		GROUP	
	Third quarter ended 31.12.17 \$'000	31.12.16 \$'000	9-month period ended 31.12.17 \$'000	31.12.16 \$'000
Cash flows from operating activities				
Profit before income tax	15,432	17,637	40,568	46,477
Adjustments for:				
- Share of loss of an associated company and joint ventures	1,168	1,104	1,895	2,171
- Depreciation expense	2,453	2,648	7,447	7,882
- Amortisation of intangible assets	55	55	166	162
- Gain on disposal of property, plant and equipment	(38)	-	(48)	-
- Employee share-based compensation expense	181	-	498	-
- Gains on disposal of available-for-sale financial assets	(75)	(134)	(225)	(53)
- Fair value losses/(gains) on derivative financial instruments and financial assets held for trading	787	316	616	(306)
- Finance expenses	517	549	1,489	1,884
- Interest income	(1,117)	(1,218)	(2,980)	(3,475)
- Unrealised currency exchange gains/(losses)	153	(528)	431	(4,180)
	19,516	20,429	49,857	50,562
Change in working capital:				
- Trade receivables, other receivables and prepayments	(12,574)	(20,521)	(14,776)	1,432
- Inventories and contracts work-in-progress	14,911	1,278	(5,823)	5,622
- Trade and other payables	(10,039)	1,270	(1,836)	11,652
- Properties held for sale	(10)	(164)	(55)	(164)
Cash provided by operations	11,804	2,292	27,367	69,104
Interest received	1,117	1,218	2,980	3,475
Interest paid	(517)	(549)	(1,489)	(1,884)
Income tax paid	(2,850)	(4,127)	(9,429)	(11,528)
Net cash provided by/(used in) operating activities	9,554	(1,166)	19,429	59,167

1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows (cont'd)

	GROUP		GROUP	
	Third quarter ended 31.12.17 \$'000	31.12.16 \$'000	9-month period ended 31.12.17 \$'000	31.12.16 \$'000
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	56	-	123	5
Proceeds from disposal of available-for-sale financial assets	8,609	9,068	38,464	17,384
Purchase of property, plant and equipment	(467)	(294)	(3,242)	(1,251)
Purchase of available-for-sale financial assets	(9,089)	(13,635)	(13,462)	(29,375)
Proceeds from repayment of loan by a joint venture	-	-	-	5,453
Loans to joint ventures	(2,567)	-	(6,765)	(3,018)
Loan to an associated company	(2,730)	-	(7,238)	-
Loan to a related party	-	(594)	-	(2,054)
Instalment payment for land acquisition	-	(24,893)	-	(24,893)
Net cash provided by/(used in) investing activities	(6,188)	(30,348)	7,880	(37,749)
Cash flows from financing activities				
Repurchase of shares	-	-	(178)	(739)
Repurchase of shares by a subsidiary	-	-	(290)	-
Repayment of borrowings	(1,274)	(928)	(3,333)	(3,476)
Dividends paid to non-controlling interests	(1,234)	-	(5,130)	(1,449)
Dividends paid to equity holders of the Company	(5,221)	(2,624)	(13,055)	(13,192)
Dividends received from a joint venture	-	125	115	125
Net cash used in financing activities	(7,729)	(3,427)	(21,871)	(18,731)
Net increase/(decrease) in cash and cash equivalents	(4,363)	(34,941)	5,438	2,687
Cash and cash equivalents				
Beginning of financial period	287,050	296,662	276,499	259,069
Effects of currency translation on cash and cash equivalents	(1,854)	(85)	(1,104)	(120)
End of financial period	280,833	261,636	280,833	261,636

1.(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	(-----Other reserves-----)							Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000				
GROUP											
Balance at 1 April 2017	104,555	(13,048)	1,278	(8,781)	692	(20,959)	(27,770)	258,215	321,952	122,706	444,658
Profit for the period	-	-	-	-	-	-	-	10,047	10,047	8,370	18,417
Other comprehensive (loss)/income for the period	-	-	(348)	-	-	1,648	1,300	14	1,314	129	1,443
Total other comprehensive (loss)/income for the period	-	-	(348)	-	-	1,648	1,300	10,061	11,361	8,499	19,860
Employee share-based compensation											
- Treasury shares re-issued	-	126	-	206	(332)	-	(126)	-	-	-	-
- Value of employee services	-	-	-	-	162	-	162	-	162	155	317
Dividends											
- In cash	-	-	-	-	-	-	-	(7,834)	(7,834)	(3,896)	(11,730)
Repurchase of shares	-	(178)	-	-	-	-	-	-	(178)	-	(178)
Repurchase of shares by a subsidiary	-	-	-	-	-	-	-	-	-	(290)	(290)
Balance at 30 September 2017	104,555	(13,100)	930	(8,575)	522	(19,311)	(26,434)	260,442	325,463	127,174	452,637
Profit for the period	-	-	-	-	-	-	-	7,802	7,802	4,347	12,149
Other comprehensive income/(loss) for the period	-	-	681	-	-	(368)	313	-	313	17	330
Total other comprehensive income/(loss) for the period	-	-	681	-	-	(368)	313	7,802	8,115	4,364	12,479
Employee share-based compensation											
- Treasury shares re-issued	-	-	-	-	(333)	-	(333)	-	(333)	333	-
- Value of employee services	-	-	-	-	93	-	93	-	93	88	181
Dividends											
- In cash	-	-	-	-	-	-	-	(5,221)	(5,221)	(1,234)	(6,455)
Balance at 31 December 2017	104,555	(13,100)	1,611	(8,575)	282	(19,679)	(26,361)	263,023	328,117	130,725	458,842

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)										
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000	Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP											
Balance at 1 April 2016	104,555	(12,600)	303	(9,004)	514	(16,865)	(25,052)	237,939	304,842	104,895	409,737
Profit for the period	-	-	-	-	-	-	-	14,618	14,618	7,761	22,379
Other comprehensive income/(loss) for the period	-	-	212	-	-	(3,540)	(3,328)	(208)	(3,536)	(229)	(3,765)
Total other comprehensive income/(loss) for the period	-	-	212	-	-	(3,540)	(3,328)	14,410	11,082	7,532	18,614
Employee share-based compensation											
- Treasury shares re-issued	-	291	-	223	(514)	-	(291)	-	-	-	-
Dividends											
- In cash	-	-	-	-	-	-	-	(10,568)	(10,568)	(1,449)	(12,017)
Repurchase of shares	-	(739)	-	-	-	-	-	-	(739)	-	(739)
Balance at 30 September 2016	104,555	(13,048)	515	(8,781)	-	(20,405)	(28,671)	241,781	304,617	110,978	415,595
Profit for the period	-	-	-	-	-	-	-	9,451	9,451	4,681	14,132
Other comprehensive loss for the period	-	-	(1,055)	-	-	(130)	(1,185)	(102)	(1,287)	(120)	(1,407)
Total other comprehensive (loss)/income for the period	-	-	(1,055)	-	-	(130)	(1,185)	9,349	8,164	4,561	12,725
Dividends											
- In cash	-	-	-	-	-	-	-	(2,624)	(2,624)	-	(2,624)
Balance at 31 December 2016	104,555	(13,048)	(540)	(8,781)	-	(20,535)	(29,856)	248,506	310,157	115,539	425,696

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)						Subtotal \$'000	Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000				
COMPANY									
Balance at 1 April 2017	104,555	(13,048)	1,278	1,929	332	3,539	70,777	165,823	
Profit for the period	-	-	-	-	-	-	4,348	4,348	
Other comprehensive loss for the period	-	-	(348)	-	-	(348)	-	(348)	
Total other comprehensive (loss)/income for the period	-	-	(348)	-	-	(348)	4,348	4,000	
Employee share-based compensation - Treasury shares re-issued	-	126	-	206	(332)	(126)	-	-	
Dividends - In cash	-	-	-	-	-	-	(7,834)	(7,834)	
Repurchase of shares	-	(178)	-	-	-	-	-	(178)	
Balance at 30 September 2017	104,555	(13,100)	930	2,135	-	3,065	67,291	161,811	
Profit for the period	-	-	-	-	-	-	8,771	8,771	
Other comprehensive income for the period	-	-	681	-	-	681	-	681	
Total other comprehensive income for the period	-	-	681	-	-	681	8,771	9,452	
Dividends - In cash	-	-	-	-	-	-	(5,221)	(5,221)	
Balance at 31 December 2017	104,555	(13,100)	1,611	2,135	-	3,746	70,841	166,042	

1.(d)(i) Statement of Changes in Equity (cont'd)

	(-----Other reserves-----)						Subtotal \$'000	Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000				
COMPANY									
Balance at 1 April 2016	104,555	(12,600)	303	1,706	514	2,523	75,176	169,654	
Loss for the period	-	-	-	-	-	-	10,501	10,501	
Other comprehensive income for the period	-	-	212	-	-	212	-	212	
Total other comprehensive income for the period	-	-	212	-	-	212	10,501	10,713	
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	(291)	-	-	
Dividends - In cash	-	-	-	-	-	-	(10,568)	(10,568)	
Repurchase of shares	-	(739)	-	-	-	-	-	(739)	
Balance at 30 September 2016	104,555	(13,048)	515	1,929	-	2,444	75,109	169,060	
Profit for the period	-	-	-	-	-	-	730	730	
Other comprehensive loss for the period	-	-	(1,055)	-	-	(1,055)	-	(1,055)	
Total other comprehensive (loss)/income for the period	-	-	(1,055)	-	-	(1,055)	730	(325)	
Dividends - In cash	-	-	-	-	-	-	(2,624)	(2,624)	
Balance at 31 December 2016	104,555	(13,048)	(540)	1,929	-	1,389	73,215	166,111	

1.(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the period, the issued and paid-up capital of the Company (excluding treasury shares) remained the same at 522,100,339 ordinary shares. As at 31 December 2017, there were a total of 18,330,714 (31.12.16: 18,309,796) treasury shares.

1.(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31.12.17	As at 31.3.17
Total number of issued shares (excluding treasury shares)	522,100,339	522,121,257

1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

On 3 April 2017, 177,182 treasury shares were utilised for the issue of 177,182 ordinary shares under the Boustead Restricted Share Plan 2011.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

On 1 April 2017, the Group adopted the amended FRS that are mandatory for application for the financial year ending 31 March 2018. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS. The adoption of these amended FRS did not result in substantial changes to the accounting policies of the Group and the Company, and is not expected to have a material effect on the amounts reported for the current or prior financial years.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

None.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP		GROUP	
	Third quarter ended 31.12.17	31.12.16	9-month period ended 31.12.17	31.12.16
Earnings per ordinary share for the period after deducting any provision for preference dividends:-				
(i) Based on weighted average number of ordinary shares in issue (¢)	1.5	1.8	3.4	4.6
(ii) On a fully diluted basis (¢)	1.5	1.8	3.4	4.6
Weighted average number of ordinary shares in issue:				
Basic (*)	522,100,339	522,121,257	522,188,383	522,382,865
Fully diluted basis (**)	522,100,339	522,298,439	522,188,383	522,560,047

* The basic earnings per share is computed based on the weighted average number of ordinary shares in issue.

** The fully diluted earnings per share is computed based on the weighted average number of ordinary shares in issue adjusted for the effects of all potential dilutive ordinary shares.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.

	GROUP		COMPANY	
	31.12.17	31.3.17	31.12.17	31.3.17
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	62.8	61.7	31.8	31.8
Number of issued shares (excluding treasury shares) as at the end of the period reported on	522,100,339	522,121,257	522,100,339	522,121,257

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Overview

The Group's revenue is largely derived from project-oriented businesses 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.

For 3Q FY2018, the Group registered revenue of \$102.2 million, total profit of \$12.1 million and profit attributable to equity holders of the Company ("net profit") of \$7.8 million. Revenue, total profit and net profit were 12%, 14% and 17% lower year-on-year respectively.

For 9M FY2018, the Group registered revenue of \$297.4 million, total profit of \$30.6 million and net profit of \$17.8 million. Revenue, total profit and net profit were 13%, 16% and 26% lower year-on-year respectively.

The swing from other gains in 3Q/9M FY2017 to other losses in 3Q/9M FY2018 was mainly due to the currency exchange effects, which significantly lowered total profit and net profit. After adjusting for other gains/losses net of non-controlling interests, net profit for 3Q FY2018 and 9M FY2018 would be 40% and 16% higher year-on-year respectively than the previous year's comparative periods.

Greater contributions by the Group's separately listed Real Estate Solutions Division (under Boustead Projects Limited) to total profit in both 3Q FY2018 and 9M FY2018, resulted in the greater dilutive effect of non-controlling interests on net profit.

3Q FY2018 Division Revenue

Division	Revenue		Favourable/ (Unfavourable)	Revenue		Favourable/ (Unfavourable)
	3Q FY2018	3Q FY2017	Change	9M FY2018	9M FY2017	Change
	\$'m	\$'m	%	\$'m	\$'m	%
Energy-Related Engineering	25.4	22.1	+15	66.7	73.7	-9
Real Estate Solutions	47.9	66.6	-28	143.7	189.8	-24
Geo-Spatial Technology	28.4	26.7	+6	85.9	79.1	+9
	101.8	115.5	-12	296.3	342.5	-13
HQ Activities	0.4	0.3	+33	1.0	0.4	+150
Group Total	102.2	115.7	-12	297.4	342.9	-13

NM – not meaningful
Note: Any differences in summation are due to rounding differences.

Each division's revenue performance for 3Q FY2018 is summarised below.

The prolonged global oil & gas recession continued to weigh on revenue at the Energy-Related Engineering Division, which came in at \$25.4 million. Final investment decisions on major oil & gas capital expenditures saw a minor pickup during the quarter. The division's revenue growth of 15% year-on-year was mainly attributable to a marked improvement in revenue contribution by the division's water & wastewater engineering business, with a focus on the energy sector.

Faced with a challenging industrial real estate sector in Singapore, the Real Estate Solutions Division (under Boustead Projects) registered revenue that was 28% lower year-on-year at \$47.9 million, with lower revenue contributions from both the design-and-build and leasing businesses.

Firm demand for products and services at the Geo-Spatial Technology Division lifted revenue 6% higher year-on-year to \$28.4 million.

3Q FY2018 Group Profitability

The Group's overall gross profit for 3Q FY2018 increased 3% year-on-year to \$38.9 million, with the overall gross margin improving to 38% compared to 33% in 3Q FY2017, largely due to the better gross margin achieved by Boustead Projects. Nonetheless, gross margin pressure remains present across the Group.

Other losses for 3Q FY2018 were \$1.3 million, mainly due to currency exchange losses and fair value losses which together amounted to \$1.4 million. This contrasted with other gains for 3Q FY2017 of \$3.1 million, mainly due to currency exchange gains.

Total overhead expenses for 3Q FY2018 edged down 6% year-on-year to \$21.9 million (selling and distribution expenses of \$7.3 million, and administrative expenses of \$14.6 million). The previous year's comparative period included administrative expenses based on full strength teams at the Energy-Related Engineering Division before these teams were right-sized in 4Q FY2017.

Finance expenses for 3Q FY2018 declined 6% year-on-year following the scheduled repayment of borrowings by Boustead Projects in relation to the industrial leasehold portfolio.

Share of loss of an associated company and joint ventures for 3Q FY2018 was \$1.2 million, due to Boustead Projects eliminating construction and project management profits attributable to projects which Boustead Projects has entered into with an associated company and joint ventures.

Profit before income tax ("PBT") for 3Q FY2018 fell 13% year-on-year to \$15.4 million, mainly due to other losses, and partially offset by higher gross profit and lower overhead expenses. A breakdown of PBT by divisions is provided as follows.

Division	PBT			PBT		
	3Q FY2018	3Q FY2017	Favourable/ (Unfavourable) Change	9M FY2018	9M FY2017	Favourable/ (Unfavourable) Change
	\$'m	\$'m	%	\$'m	\$'m	%
Energy-Related Engineering	*0.5	**1.9	-74	*(2.9)	**5.1	NM
Real Estate Solutions	9.6	10.2	-6	28.5	26.7	+7
Geo-Spatial Technology	5.4	5.1	+6	16.5	15.8	+4
	15.5	17.2	-10	42.1	47.6	-12
HQ Activities	(0.2)	0.4	NM	(1.6)	(1.1)	-45
Group Total	15.4	17.6	-13	40.6	46.5	-13

NM – not meaningful

Note: Any differences in summation are due to rounding differences.

* Includes currency exchange losses totalling \$0.5m and \$3.1m in 3Q FY2018 and 9M FY2018 respectively.

** Includes currency exchange gains totalling \$2.1m and \$4.0m in 3Q FY2017 and 9M FY2017 respectively.

The Group achieved broad-based profitability in 3Q FY2018.

Total profit for 3Q FY2018 declined 14% year-on-year to \$12.1 million. The Group's effective tax rate was 21% compared to 20% in 3Q FY2017.

Net profit for 3Q FY2018 decreased 17% year-on-year to \$7.8 million, mainly due to greater contributions by Boustead Projects to total profit, resulting in the greater dilutive effect of non-controlling interests on net profit.

3Q FY2018 Statement of Cash Flows

During 3Q FY2018, cash and cash equivalents (after taking into account the effects of currency translation) decreased \$6.2 million to \$280.8 million, largely as a result of net cash outflows for investing and financing activities.

Net cash inflow for operating activities amounted to \$9.6 million, after accounting for a negative change in working capital of \$7.7 million.

Net cash outflow for investing activities amounted to \$6.2 million, mainly due to \$5.3 million in additional loans extended to an associated company and joint ventures.

Net cash outflow for financing activities amounted to \$7.7 million, mainly for the scheduled repayment of borrowings and dividend payments to shareholders as well as non-controlling interests.

Statement of Financial Position

At the end of 9M FY2018, the Group's financial position remained healthy.

Under assets, cash and cash equivalents increased to \$280.8 million from \$276.5 million at the end of FY2017. Total trade receivables significantly climbed on greater invoicing by the Group for completed work. Total other receivables and prepayments fell, mainly due to the receipt of proceeds from the disposal of an available-for-sale financial asset. Net contracts work-in-progress rose to \$12.9 million due to uninvoiced work completed for clients. Total available-for-sale financial assets increased, largely due to reinvestment allocations made as part of the Group's Cash Management Programme.

Under liabilities, total borrowings decreased to \$85.0 million following the scheduled repayment of borrowings by Boustead Projects in relation to the industrial leasehold portfolio.

The Group's net asset value per share strengthened to 62.8 cents at the end of 9M FY2018 from 61.7 cents at the end of FY2017, while the net cash position (i.e. net of all bank borrowings) was \$195.8 million at the end of 9M FY2018, translating to a net cash per share position of 37.5 cents. In addition, the Group held \$72.3 million in available-for-sale financial assets and financial assets held for trading at the end of 9M FY2018, of which almost three quarters of the amount is highly liquid.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

None.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group's current order book backlog stands at about \$350 million (unrecognised project revenue remaining at the end of 3Q FY2018 plus the total value of new orders secured since then), of which \$83 million is under the Energy-Related Engineering Division and \$267 million is under the Real Estate Solutions Division.

The current macro economic environment continues to be highly challenging and competitive, with a great amount of uncertainty contributed by global political events. In light of this, the Group will continue to apply prudent cost management measures and invest in business development initiatives.

Given the Group's healthy net cash position of \$195.8 million, available-for-sale financial assets and financial assets held for trading of \$72.3 million, and wide range of financing options, the Group continues to uphold an excellent position to capitalise on any good acquisition and investment opportunities that may arise.

The Group believes it will continue to be profitable in FY2018.

11. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/(recommended), a statement to that effect.

No dividend has been declared/recommendeded for this period.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for interested person transactions.

14. Negative confirmation by the Board pursuant to Rule 705(5)

We, Wong Fong Fui and Wong Yu Loon, being two of the directors of Boustead Singapore Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the 3Q FY2018 financial results to be false or misleading.

15. Confirmation of undertakings from Directors and Executive Officers

The Company has procured undertakings from all of its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Alvin Kok
Company Secretary
13 February 2018