



Extraordinary General Meeting

Mr WONG Yu Wei, Deputy Chairman & Executive Director
Boustead Projects Limited

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Disclaimer

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Contents

1. Introduction
2. Establishment of Boustead Industrial Fund
3. Rationale for Boustead Industrial Fund
4. Details of Proposed Transactions
5. Financial Effects
6. Proposed Resolutions

It is important to note that this presentation should be viewed in conjunction with the Circular to Shareholders, the Frequently Asked Questions about Boustead Industrial Fund and the EGM Advance Questions and Responses which had been electronically published prior to this EGM.

Introduction

Principal Businesses of Boustead Projects Limited

Engineering & Construction



Design, engineering and construction of smart, eco-sustainable industrial or business park facilities in targeted regional markets

Real Estate



Development and management of built-to-suit and multi-user industrial facilities for lease or sale in regional markets

Strategic Partnerships



Joint ventures and partnerships in relation to real estate development and development funds management

Boustead Industrial Fund is envisioned platform for acquiring and holding stabilised industrial property assets on a long-term basis

Establishment of Boustead Industrial Fund

Establishment of Boustead Industrial Fund (1)

Overview

Trust	Boustead Industrial Fund (“BIF”), constituted in Singapore on 27 November 2020
Placement	(a) Up to S\$75.5m in Units, and (b) An aggregate of S\$236.0m in 7% Notes due 2031
Borrowing limits	Capped at 45% of deposited property, 70% at individual property level
Distributions	Quarterly
Sponsor’s commitment	25% by Boustead Projects Limited (“BPL”) (through BP-Real Estate Investment Pte Ltd)
Investors’ commitment	49% by AP SG 21 Pte Ltd (“APSG”) 26% by Metrobilt Construction Pte Ltd (100%-owned by SGX-listed Metro Holdings Ltd)
Fund Manager	Boustead Industrial Fund Management Pte Ltd (100%-owned by Boustead Projects)
Fund Trustee	Perpetual (Asia) Ltd
Notes Trustee and Paying Agent	Intertrust (Singapore) Ltd
Lead Manager for Notes	United Overseas Bank Limited

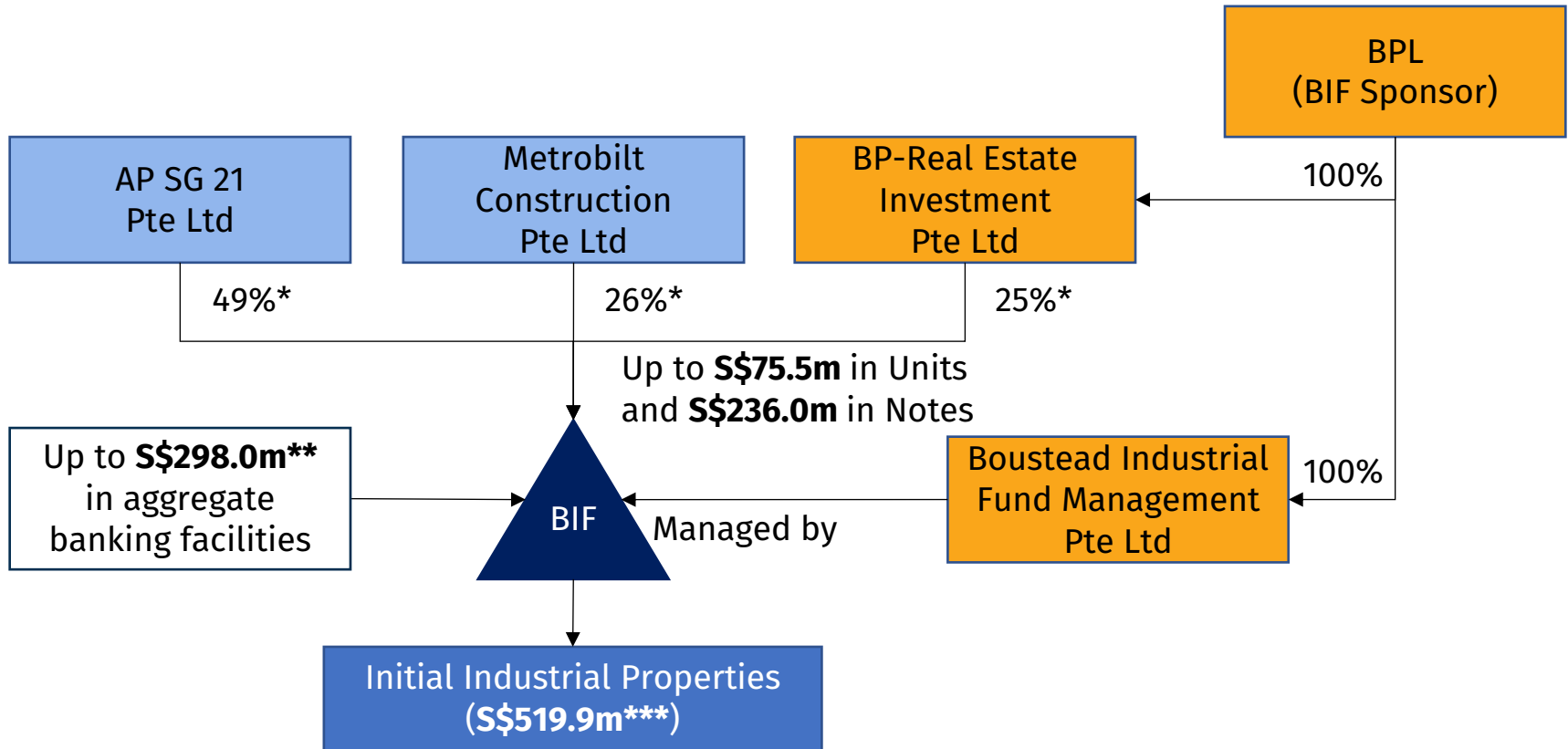
Establishment of Boustead Industrial Fund (2)

Overview (continued)

Investment mandate	<p>BIF may acquire further industrial properties that meet key criteria, including:</p> <ul style="list-style-type: none">• Minimum gross floor area or gross asset value (GAV)• Having stabilised income stream• Remaining leasehold tenure• Minimum target internal rate of return and income return
Investment into development projects	<p>Subject to thresholds on value of BIF's investment in development projects as a proportion of GAV of its deposited property</p>
Transfer restriction on Units	<ul style="list-style-type: none">• Units are not redeemable at option of Fund Investors; and• Fund Investors are subject to certain transfer restrictions including right of first offer in favour of other Fund Investors
Sponsor Right of First Refusal (ROFR)	<p>Applies to:</p> <ol style="list-style-type: none">i. Disposal of any interest in any Industrial Properties (the "Relevant Asset") owned/managed by Sponsor/its subsidiaries/its private funds ("Relevant Entity"); orii. Acquisition of any interest in any Relevant Asset which is not owned by any Relevant Entity <p>So long as BPL and/or any of its related companies along or in aggregate, directly/indirectly holds at least 50% shareholding in Fund Manager, and Fund Manager remains manager of BIF</p>

Establishment of Boustead Industrial Fund (3)

Initial Fund Structure



*Initial interest in the Units and Notes in BIF

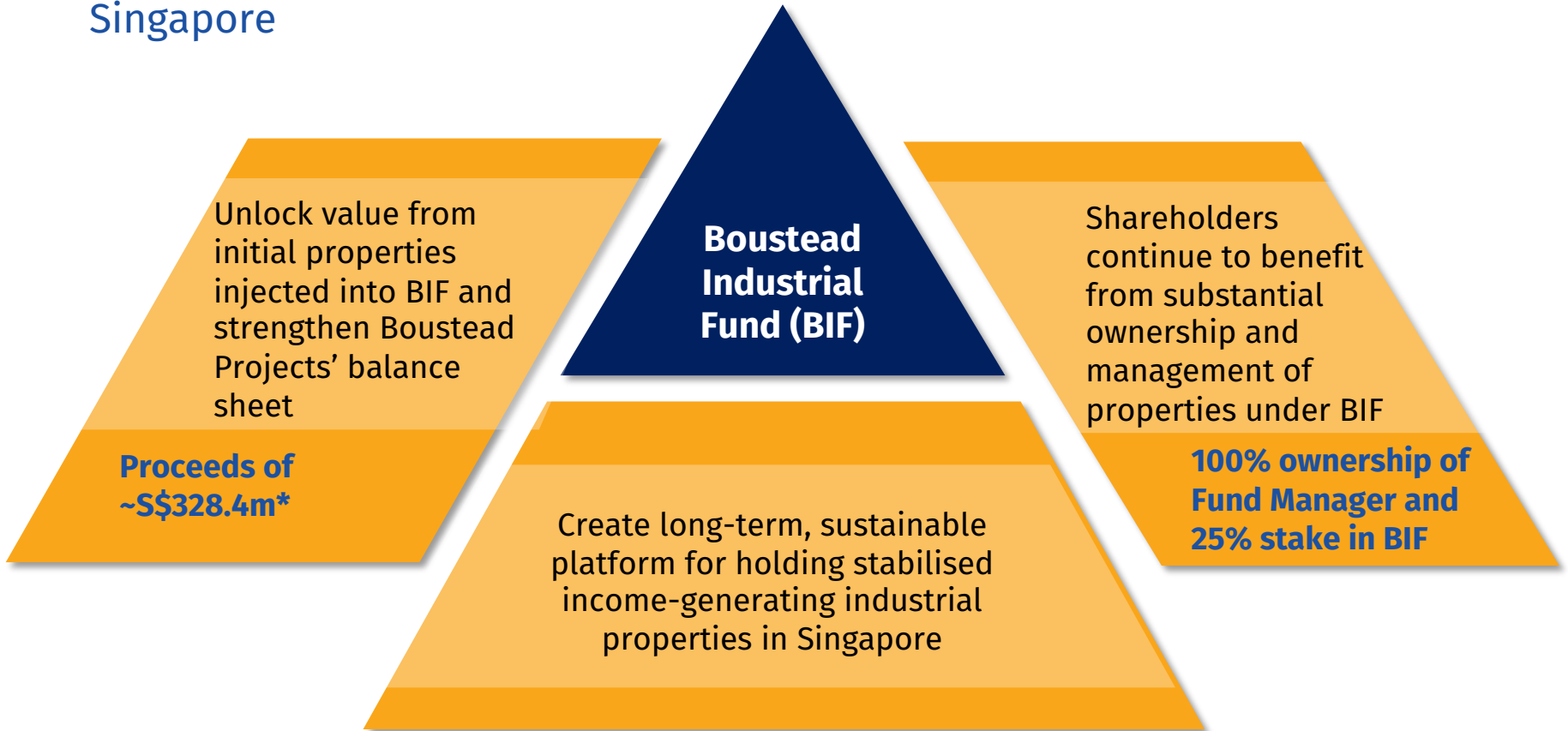
**Of the S\$298.0m aggregate amount, approximately S\$212.2 million is expected to be used for the purchase of BIF's initial properties

***Based on consideration agreed by the relevant BIF parties for a 100% interest in the initial properties

Rationale for Boustead Industrial Fund

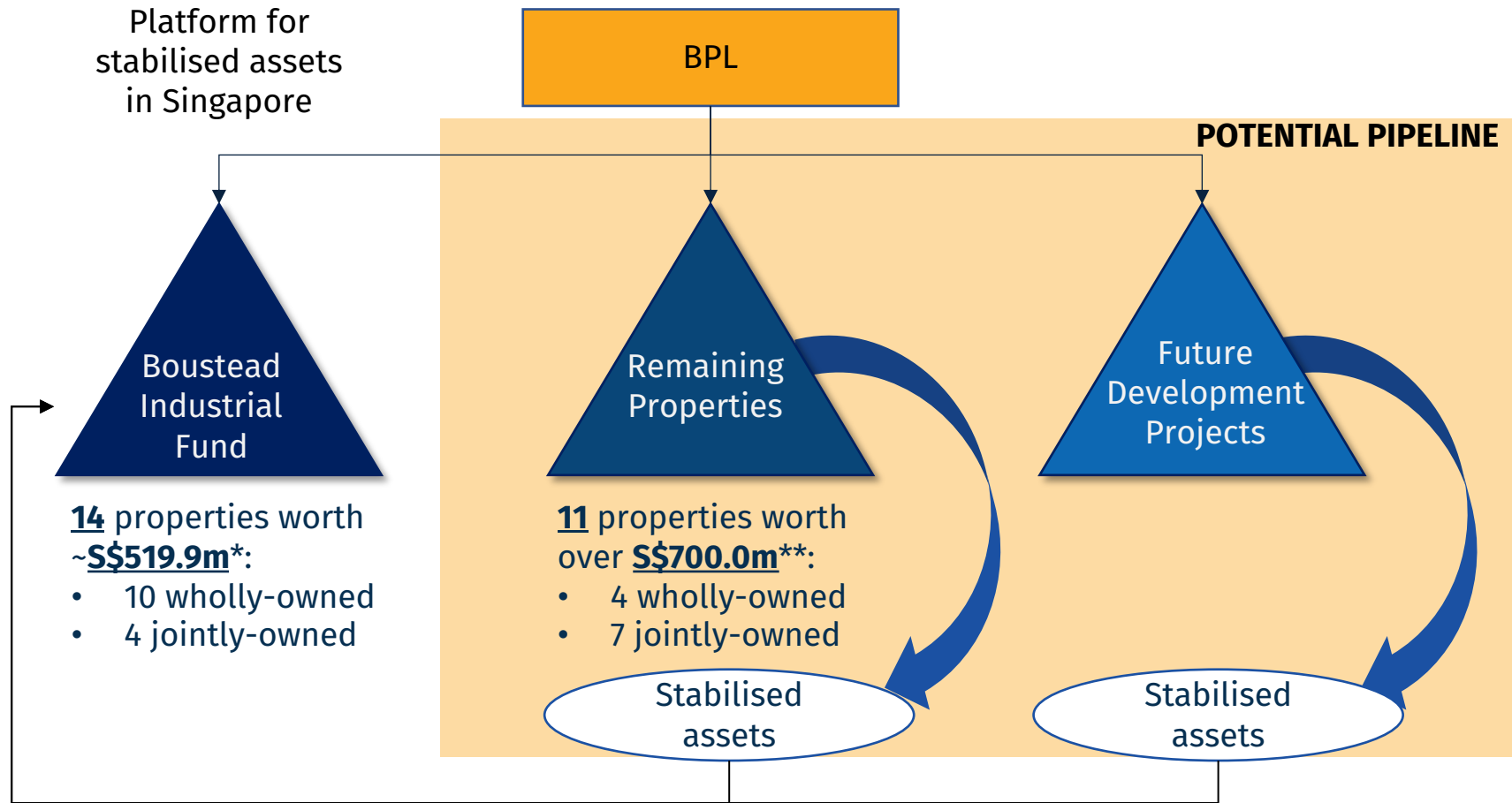
Rationale for Boustead Industrial Fund (1)

Envisaged Boustead Projects Limited (“BPL”)-sponsored and managed platform for long-term holding of stabilised industrial property assets in Singapore



*Excludes Bombardier Aerospace Tranche 2 Consideration (as defined in Circular)

Rationale for Boustead Industrial Fund (2)



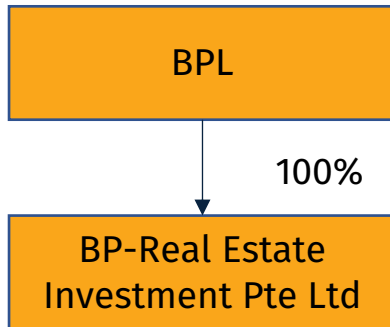
*Based on consideration agreed by relevant BIF parties for 100% interest in initial properties

**Includes JV partners' share of jointly-owned properties including assets under development

Details of Proposed Transactions

Details of Proposed Transactions (1)

Proposed Subscription



Units in BIF

- Up to **23,294,999** Units in BIF at issue price of S\$1/unit
- Initial subscription of **25%** of Units in BIF
- Subsequent subscription of up to **S\$8.7m** to fund **51%** of purchase price for the remaining **51%** interest in Continental Building Phase 3, expected to be approximately four years after launch of BIF

7% Notes due 2031

- **S\$59.0m** principal amount of Notes, representing **25%** of aggregate principal amount of Notes

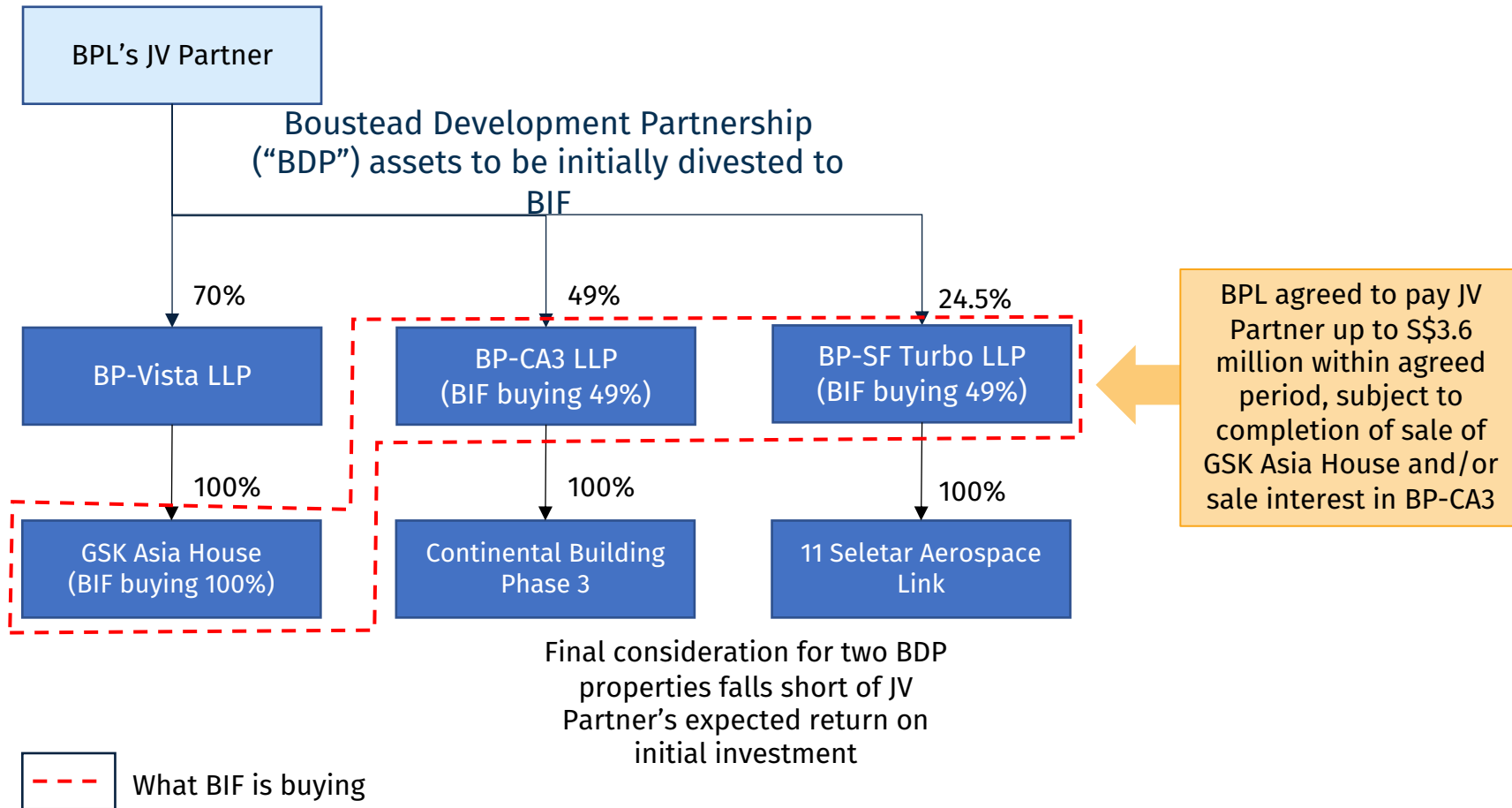
Details of Proposed Transactions (2)

Sponsor Qualifying Debt Securities (“QDS”) Deed of Payment

Intent and purpose	<ul style="list-style-type: none">• BIF Notes expected to qualify as QDS, i.e. concessionary tax rate of 10% on net interest income earned from the Notes• BPL shall compensate APSG if BIF Notes that APSG subscribed for (“APSG Notes”) do not qualify or lose qualification as QDS
Make-Whole Amount	Capped at aggregate of <u>S\$2,833,180</u>
Duration	Deed of Payment will automatically terminate on earlier of: <ul style="list-style-type: none">a) 30 April 2021, if subscription of Notes by APSG is not completed by such date;b) On <u>5th anniversary</u> of date of issue of APSG Notes;c) On date aggregate Make-Whole Amount paid to APSG equals <u>S\$2,833,180</u>;d) On date APSG Notes legally ruled as QDS; ore) On date APSG changes holding structure such that APSG holds <u>50.0% or more</u> of Notes and issued Units of BIF, provided such change then results in APSG having to pay income tax on net interest income at default tax rate of 17%

Details of Proposed Transactions (3)

Capital Top-Up Deed



Details of Proposed Transactions (4)

Deed of Rental Guarantee

Deed of Rental Guarantee

Guaranteed rental income for **10 properties** for **12 months** from completion of Proposed Divestment

Relevant Properties

10 Seletar Aerospace Heights

10 Changi North Way

12 Changi North Way

16 Changi North Way

26 Changi North Rise

16 Tampines Industrial Crescent

Continental Building Phases 1 & 2

85 Tuas South Avenue 1

10 Tukang Innovation Drive

Aggregate Guaranteed Rent Amount for Relevant Properties estimated to be **S\$25.5 million**

Based on known vacancies and contractual rent-free periods for Relevant Properties as at 31 December 2020, BPL expects to pay an aggregate amount of **S\$2.2 million** as rental guarantee to Fund Trustee

Details of Proposed Transactions (5)

Confirmation to JTC

BPL has provided confirmations to JTC Corporation (“JTC”) that:

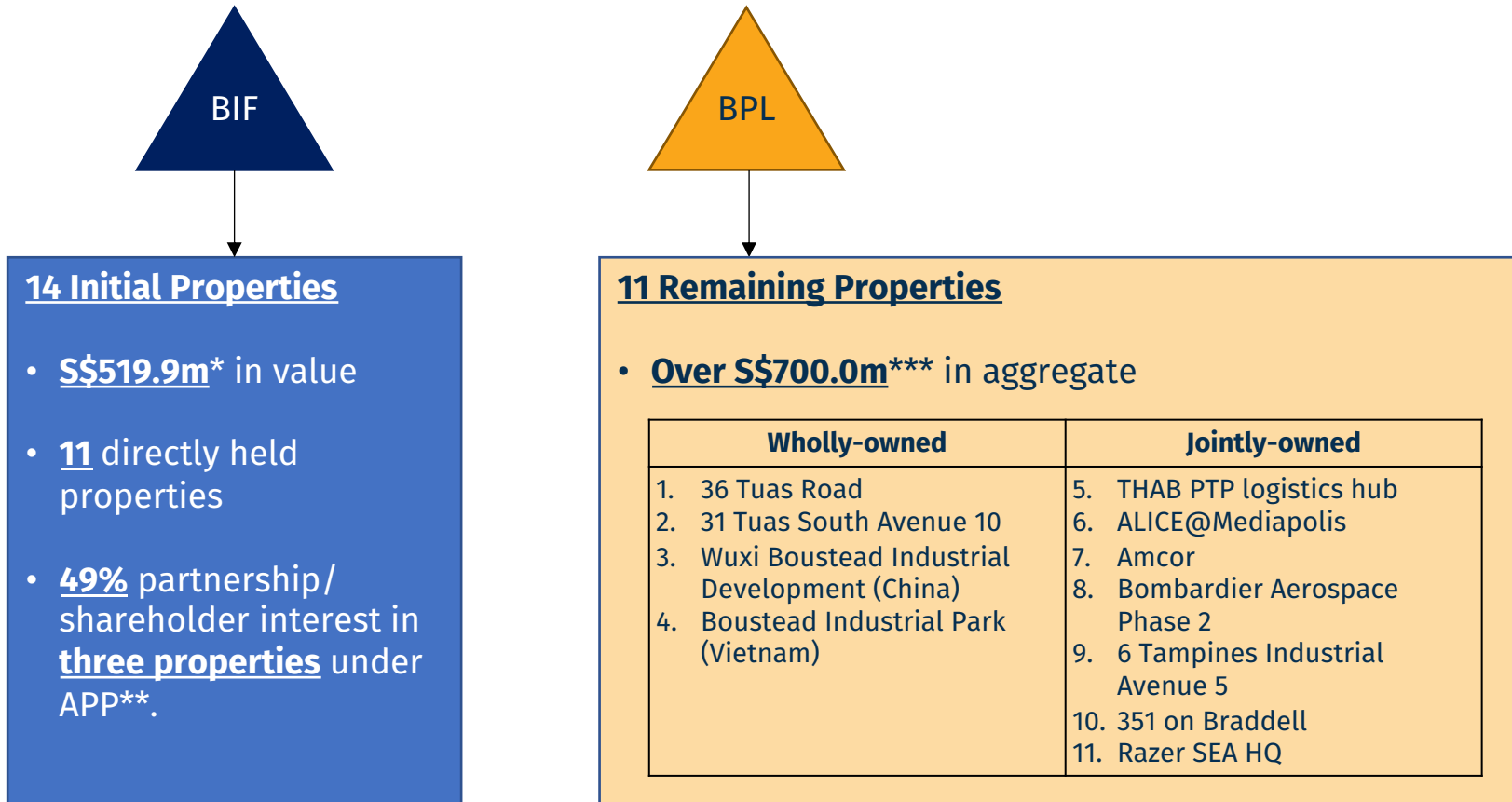
- For **10 years** from date of completion of assignment/novation of all land lease agreements of Directly Held Properties, **BPL will hold more than 50% of Fund Manager, and that Fund Manager is and will continue to be fund manager of BIF**; and
- BPL or wholly-owned subsidiary will maintain **minimum interest in total number of Units and/or Notes amounting to S\$52.0 million** (“Minimum Interest”), for period commencing on date BPL’s Minimum Interest first acquired and/or subscribed and ending on **24 January 2024**

In event BPL breaches any of aforementioned confirmations (“JTC Confirmations”), JTC shall be entitled to take any necessary action, including right of re-entry, in respect of Directly Held Properties

In connection with JTC Confirmations, BPL also agreed to **indemnify Fund Trustee** for any loss or liabilities incurred or suffered arising from or in connection with JTC’s exercise of right to take any necessary actions, including right of re-entry, in respect of Directly Held Properties arising from breach by BPL of any of JTC Confirmations

Details of Proposed Transactions (6)

Proposed Divestment



*Based on consideration agreed by relevant BIF parties for 100% interest in initial properties

**APP = assignment prohibition period imposed by JTC

***Includes JV partners' shares of jointly-owned properties

Details of Proposed Transactions (7)

Property	Independent valuation (S\$m)	Consideration*	BPL's stake in Sale	BPL's share of independent valuation	BPL's share of consideration
Edward Boustead Centre	34.0	33.0	50%	17.0	16.5
GSK Asia House & conservation bungalows	146.5	144.8	30%	44.0	43.4
10 Seletar Aerospace Heights	21.0	22.2	100%	21.0	22.2
10 Changi North Way	26.2	27.0	100%	26.2	27.0
12 Changi North Way	43.2	38.4	100%	43.2	38.4
16 Changi North Way	23.6	23.5	100%	23.6	23.5
26 Changi North Rise	13.1	13.0	100%	13.1	13.0
16 Tampines Industrial Crescent	40.0	39.3	100%	40.0	39.3
85 Tuas South Avenue 1	21.2	21.2	100%	21.2	21.2
11 Seletar Aerospace Link	12.0	12.4	24.5%	2.9**	1.4**
10 Tukang Innovation Drive	52.0	55.0	49%	25.5**	26.4**
Continental Building Phases 1 & 2	53.5	60.0	100%	53.5	60.0
Continental Building Phase 3	25.0	30.1	_***	_***	_***
Total	511.3	519.9		331.2	332.2****

*Based on consideration agreed by relevant BIF parties for 100% interest in initial properties

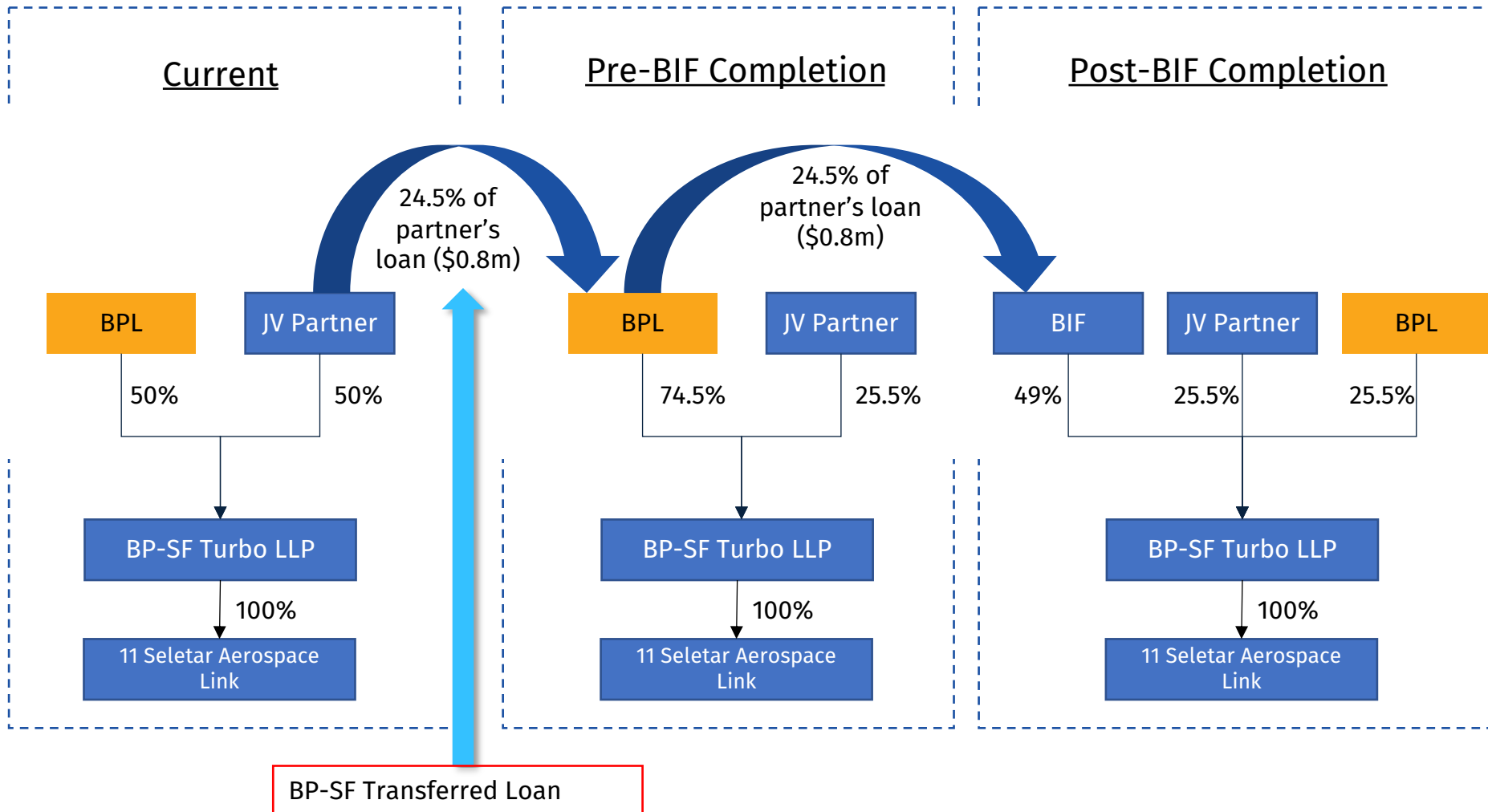
**Based on adjusted net asset value of SPV, outstanding interest-free partner's/shareholder's loan given to SPV, independent valuation, as well as each BIF investor's own assessment of property valuation

***BPL not disposing any interest in Continental Building Phase 3 under Proposed Initial Subscription

****Includes Bombardier Aerospace Tranche 2 Consideration (as defined in Circular to Shareholders)

Details of Proposed Transactions (8)

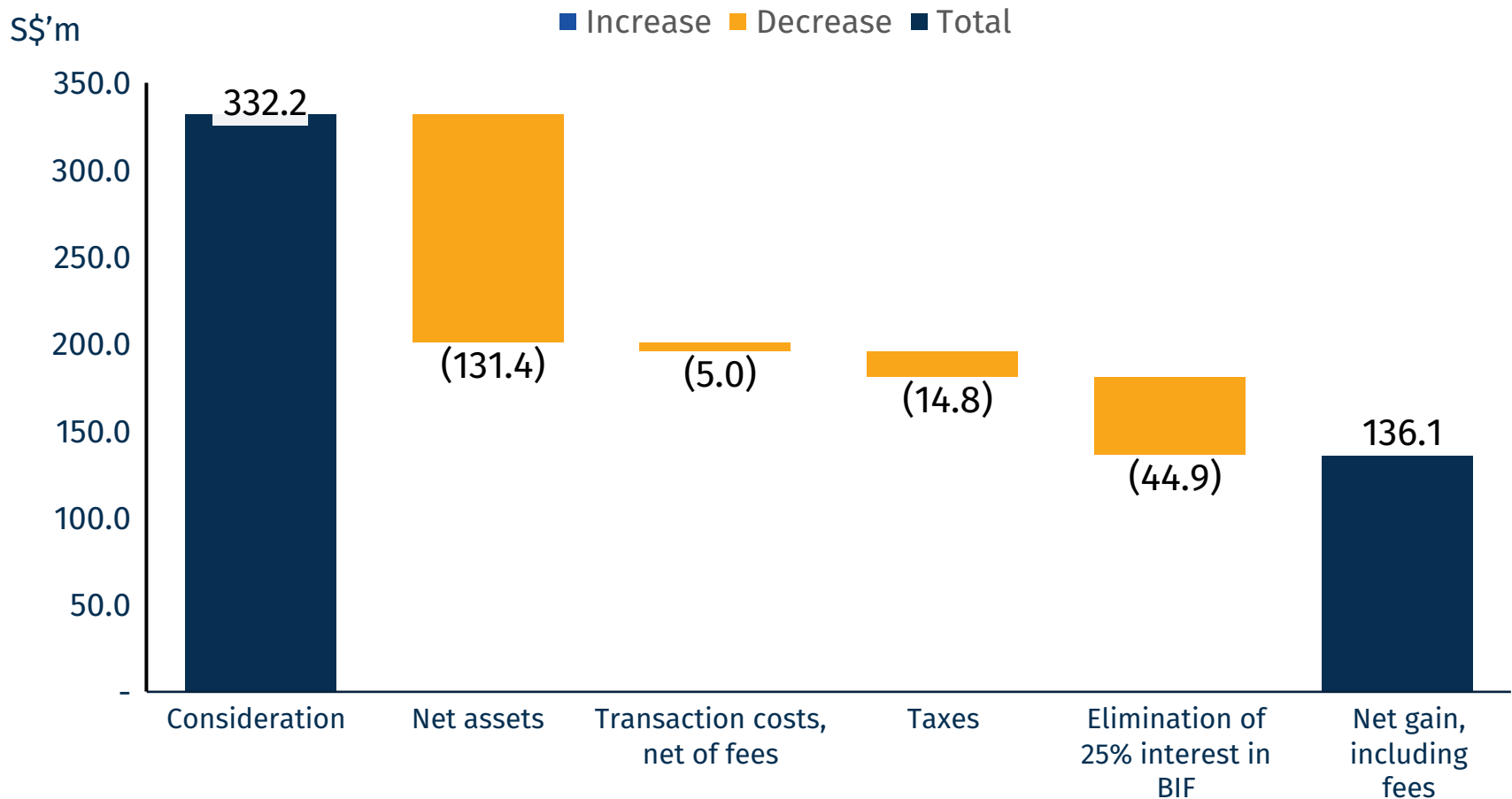
Assignment of Partner's Loan in respect of BP-SF Turbo LLP



Financial Effects

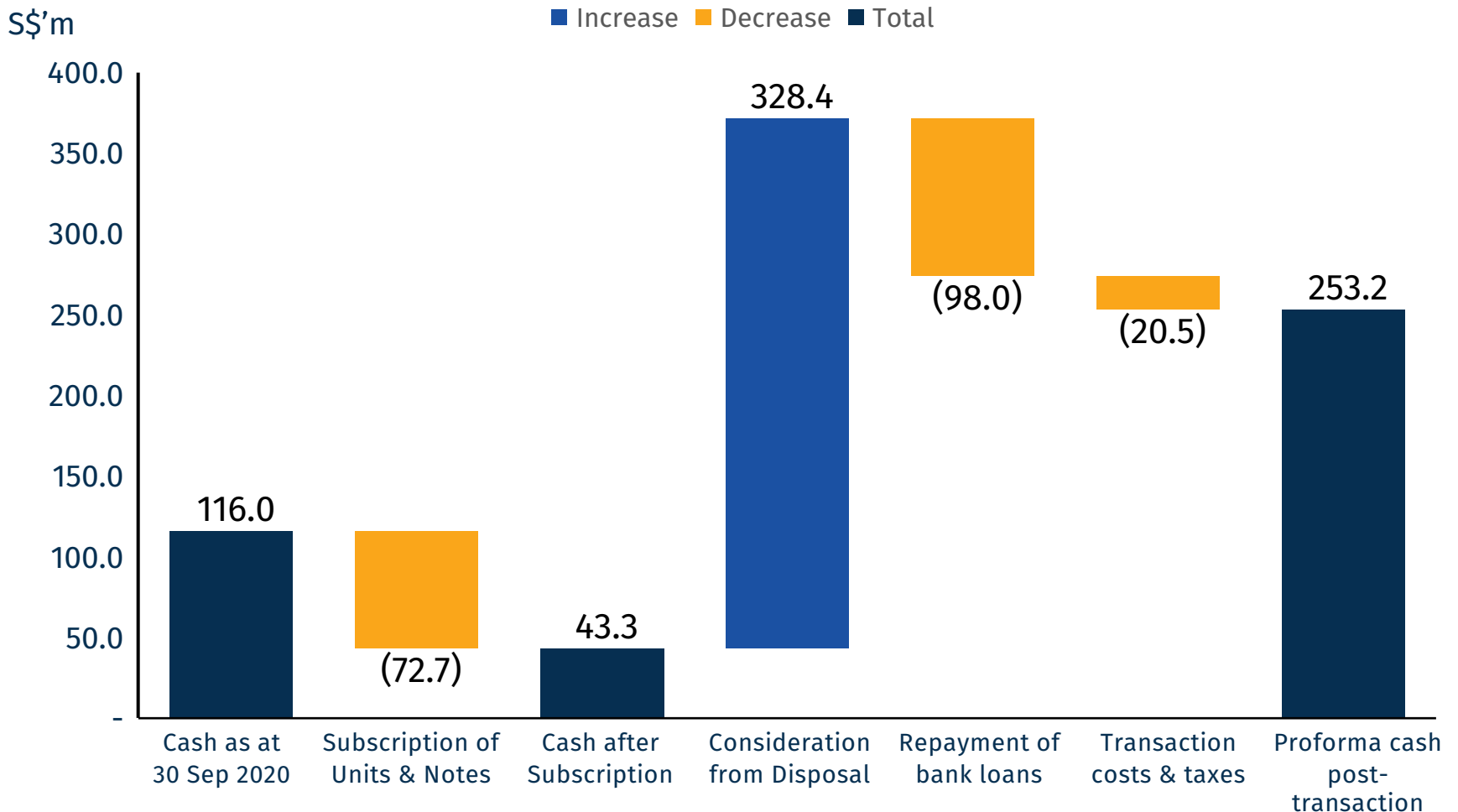
Financial Impact (1)

Assuming transaction had been completed on **30 September 2020**, BP Group's **gain** on disposal is as follows:



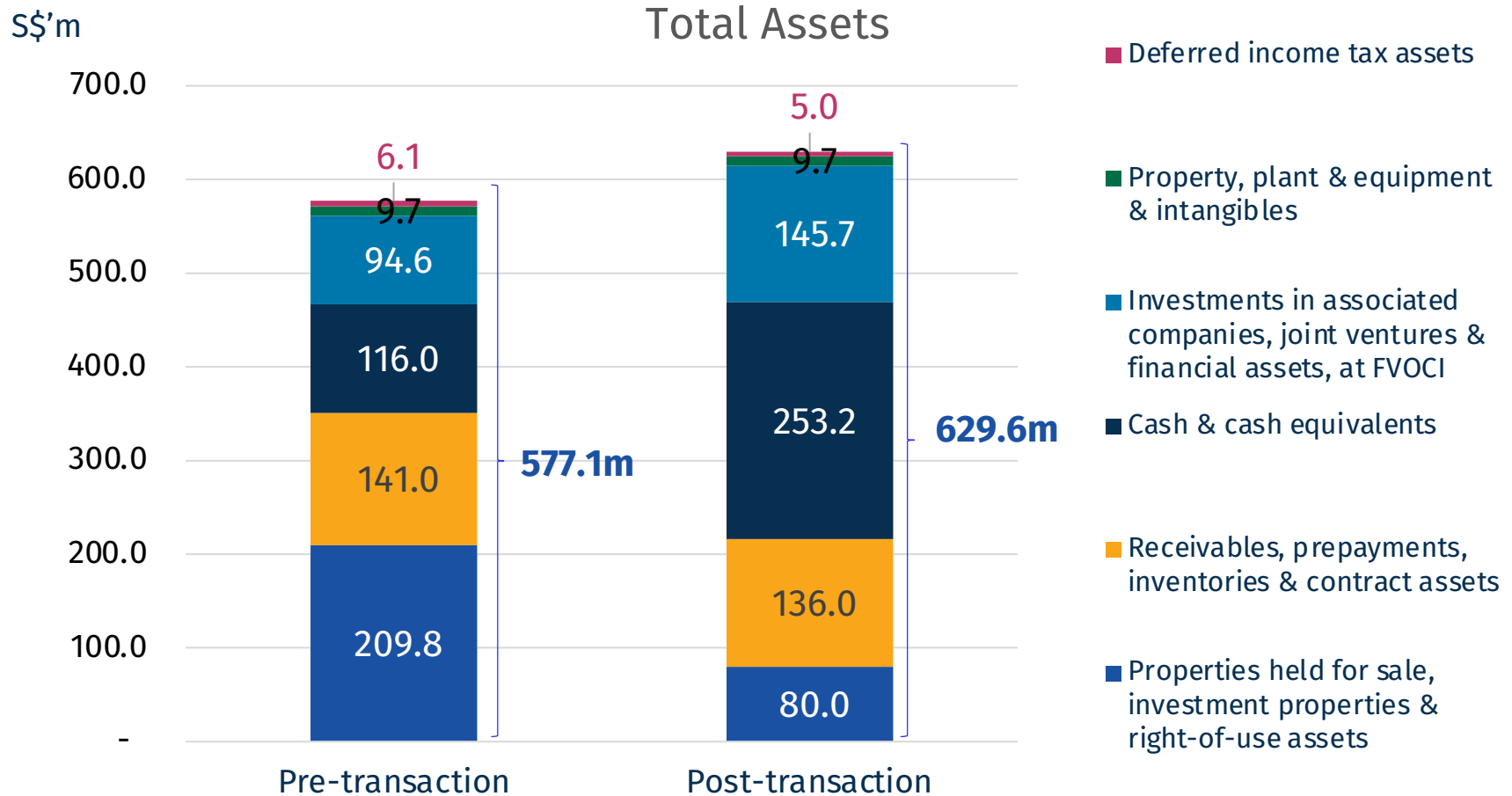
Financial Impact (2)

Assuming transaction had been completed on **30 September 2020**, BP Group's **cash position** from disposal is as follows:



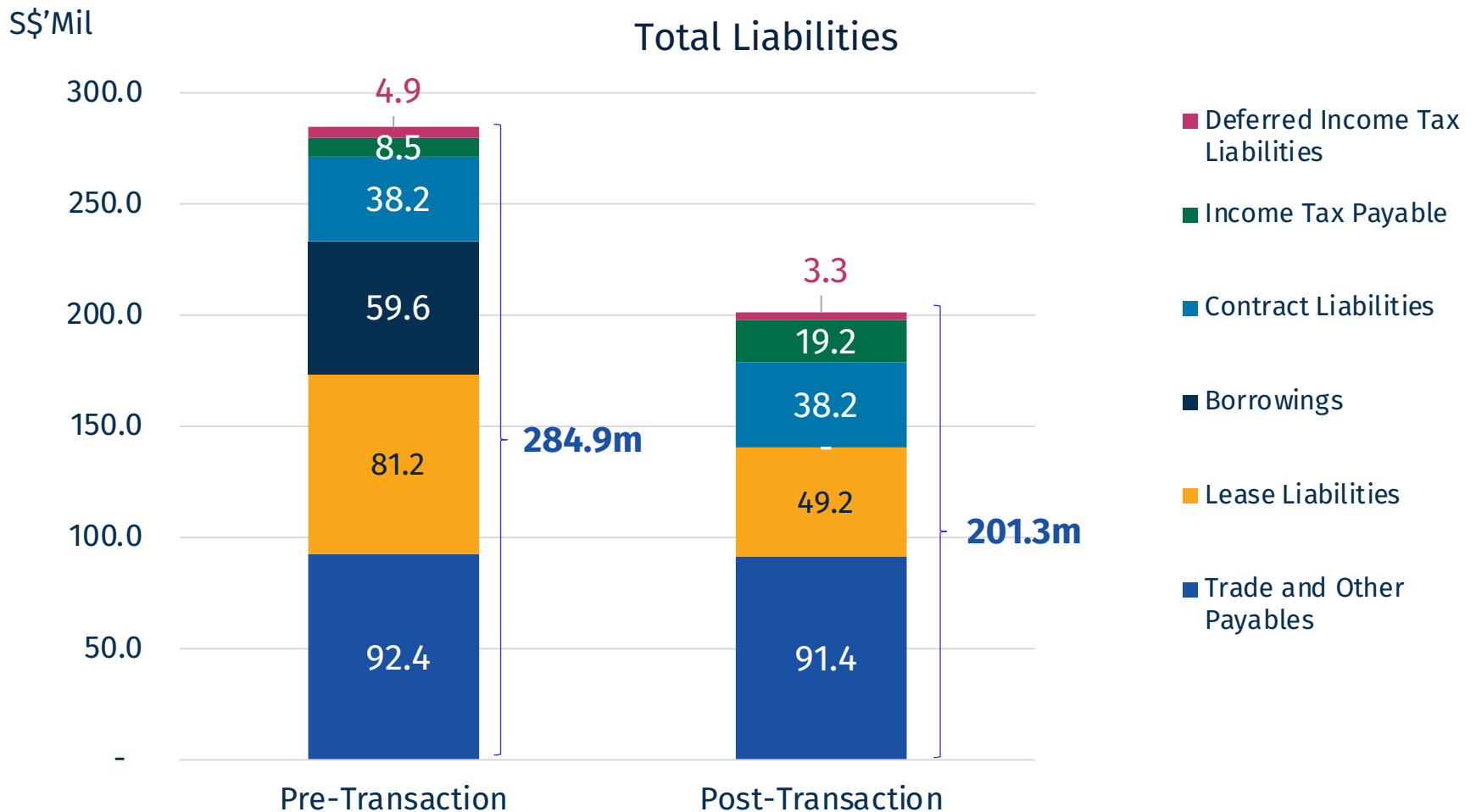
Balance Sheet Highlights (1)

Assuming transaction had been completed on **30 September 2020**, BP Group's **balance sheet** post-transaction is as follows:



Balance Sheet Highlights (2)

Assuming transaction had been completed on **30 September 2020**, BP Group's **balance sheet** post-transaction is as follows:



Proposed Resolutions

Resolution 1

Ordinary Resolution – Proposed Transactions (Comprising Proposed Subscription and Proposed Divestment)

That:

- a) Approval be and is hereby given for the **Proposed Subscription** (as described in the Circular);
- b) Approval be and is hereby given for the **Proposed Divestment** (as described in the Circular);
- c) Approval be and is hereby given for the **payment of all fees and expenses** relating to the Proposed Subscription and Proposed Divestment, and all other matters incidental thereto;
- d) The **entry into of all agreements and transactions** by the Company (whether directly or indirectly through its subsidiaries) in connection with the Proposed Subscription and the Proposed Divestment and all ancillary agreements contemplated thereby or incidental thereto, or which are necessary to give effect to or are in connection with the Proposed Subscription and the Proposed Divestment (as described in the Circular), be and is hereby approved, confirmed and (where applicable) ratified; and
- e) The Directors and/or any of them be and are/is hereby **authorised to complete and do all such acts and things** (including but not limited to executing or amending all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to or are in connection with the Proposed Subscription and the Proposed Divestment.

Resolution 2

Ordinary Resolution – Assignment of BP-SF Transferred Loan to Company pursuant to Relevant Loan Transaction

That:

- a) Approval be and is hereby given for the **assignment of the BP-SF Transferred Loan** to the Company pursuant to the Relevant Loan Transaction (as described in the Circular);
- b) The **entry into of all agreements and transactions** by the Company (whether directly or indirectly through its subsidiaries) in connection with the Relevant Loan Transaction and all ancillary agreements contemplated thereby or incidental thereto, or which are necessary to give effect to or are in connection with the Relevant Loan Transaction (as described in the Circular), be and is hereby approved, confirmed and (where applicable) ratified; and
- c) The Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including but not limited to executing or amending all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to or are in connection with the Relevant Loan Transaction.

End of Management's Presentation