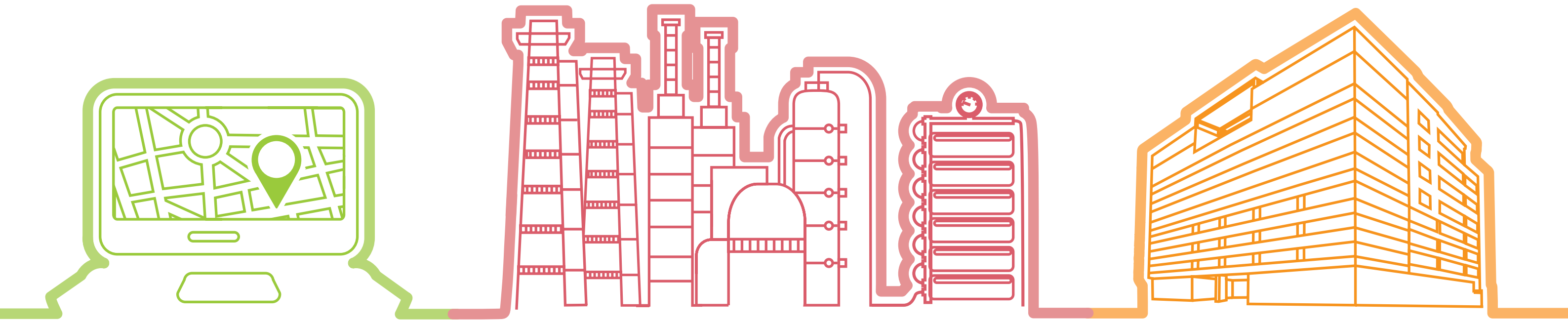


POSITIONING

TO INJECT NEW ENERGY

BOUSTEAD SINGAPORE LIMITED
annual report 2015

Since 1828

Visit us or download the Annual Report at **www.boustead.sg**.

KEY READS WITHIN THIS REPORT

CORPORATE PROFILE

Established in 1828, Boustead Singapore Limited is a progressive global service provider of infrastructure-related engineering services and geo-spatial solutions. Focusing on the engineering and development of key infrastructure to support economic growth in the public and private sectors of emerging 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 systems – to major markets across Australia and South East Asia.

Our solutions are essential to the effective planning, deployment and management of key infrastructure and resources in countries.

To date, Boustead has undertaken infrastructure-related projects in 84 countries globally.

In 2008 and 2009, Boustead was 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. We are also listed on the MSCI World Small Cap Index for Singapore and the FTSE ST Small Cap Index.

CONTENTS

CORPORATE REPORT

FINANCIAL REPORT

POSITIONING
TO INJECT NEW ENERGY

Boustead Singapore Limited is positioning to inject new energy into our business following the successful demerger and separate listing of Boustead Projects Limited on the SGX on 30 April 2015.

We have established reputable positions in our principal market sectors.

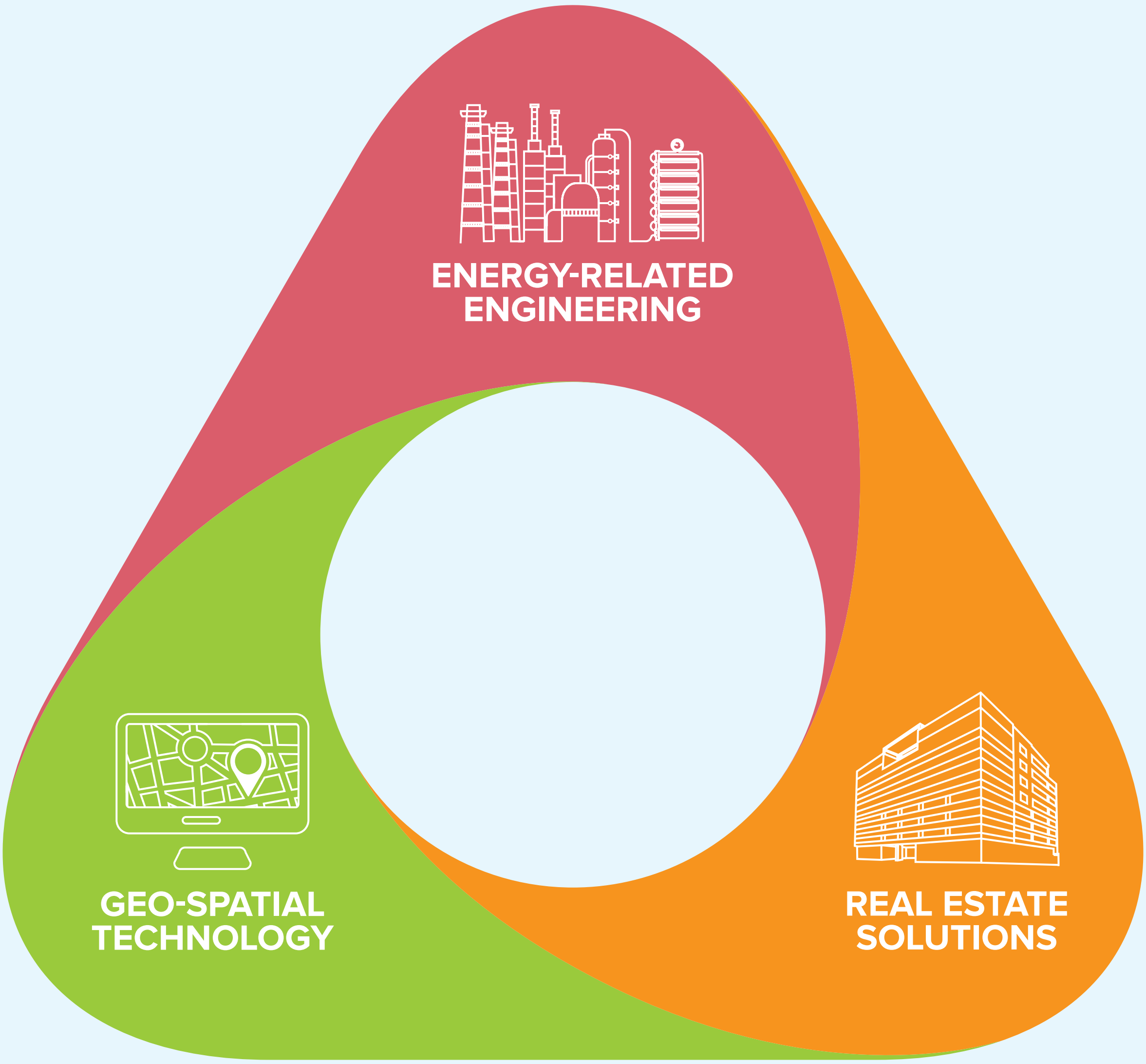
Our ability to bring together engineering skills and proven technology makes us a dependable partner with a trusted brand name.

Going forward, our strategy to produce world-class engineering solutions globally and to enhance our robust capabilities through strategic acquisitions and investments will position us to create value for our shareholders in the long-term.

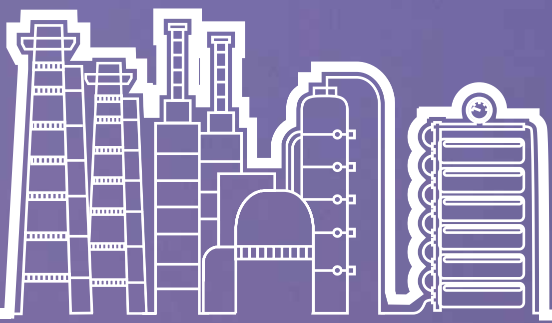
ENERGISING THE FUTURE

BUILDING INDUSTRIOUS SOLUTIONS

NAVIGATING WITH INNOVATION



ENERGISING THE FUTURE



Our Energy-Related Engineering Division has delivered projects for more than 60% of the world's 50 largest oil & gas corporations including Saudi Aramco, the world's largest oil & gas corporation.

Boustead International Heaters has designed and supplied waste heat recovery units that recover total energy equivalent to that which can heat over two million homes in the U.K.

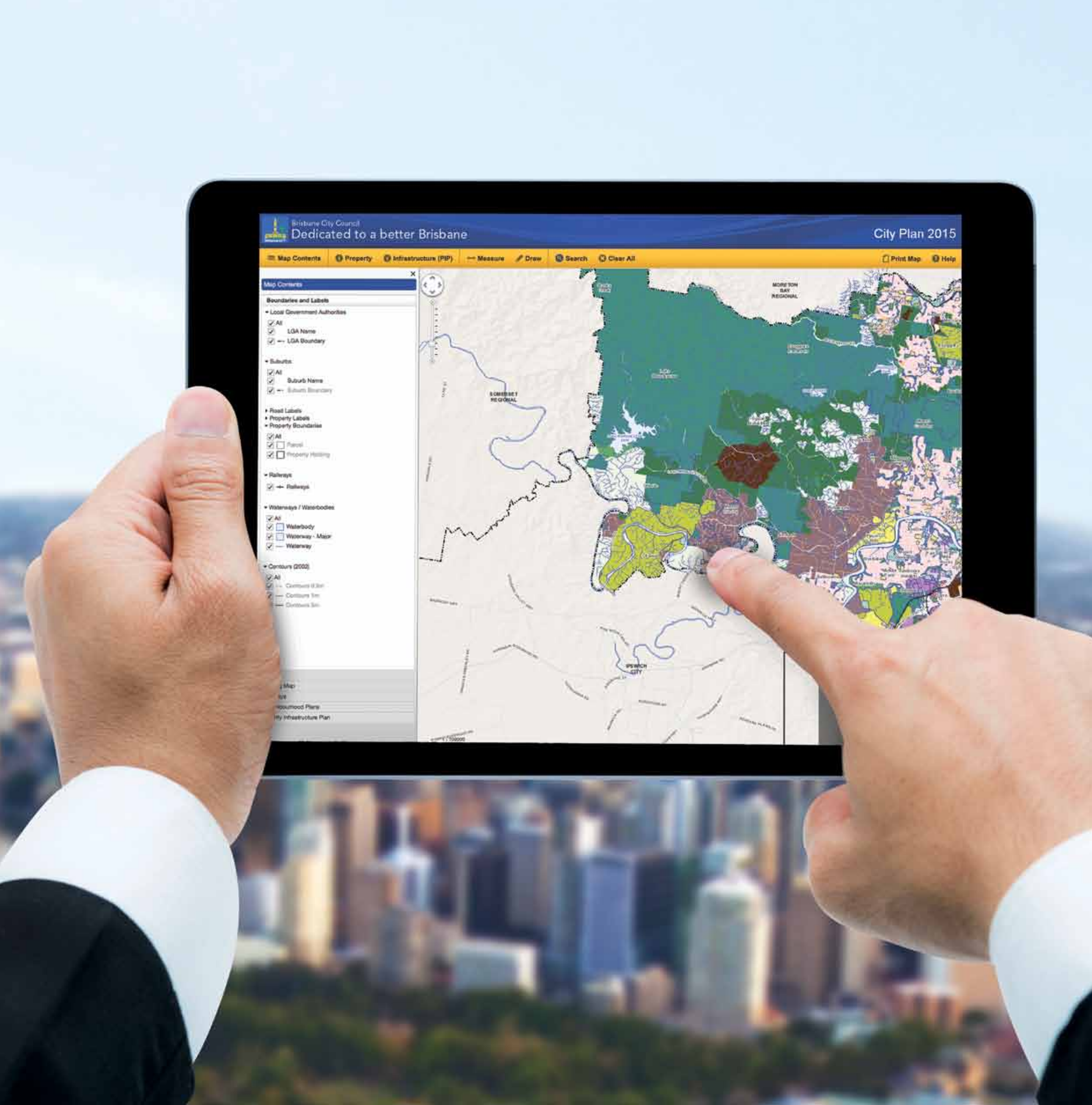

The Shugart

BUILDING INDUSTRIOUS SOLUTIONS

Our Real Estate Solutions Division, Boustead Projects Limited is the market leader in Singapore in pioneering advanced environmentally-sustainable industrial facilities, having delivered 25% of all Green Mark Platinum-rated new non-residential facilities on Business 1 and Business 2 industrial-zoned land in Singapore.

Boustead Projects Limited is one of only 10 bizSAFE Mentors in Singapore and continues to actively engage and empower subcontractors through implemented programmes to encourage and reward good safety behaviour.

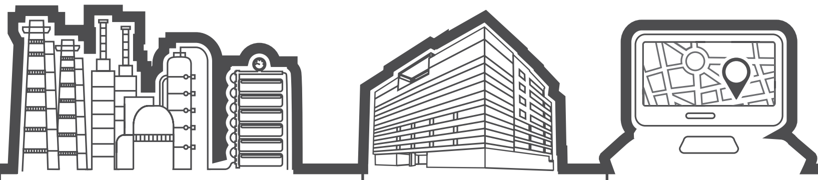
NAVIGATING WITH INNOVATION



Our Geo-Spatial Technology Division is the number one provider of geographic information systems in Australia, Singapore, Malaysia and Indonesia.

Our geo-spatial platforms support the effective and efficient management of big data such as national assets, infrastructure and resources. Such solutions are critical to the creation of smart cities and smart nations.

COMPETITIVE STRENGTHS



Boustead has a clear defined strategy, which outlines our business model and drives our performance. It sets us apart from our competitors and gives us the necessary platform to deliver long-term value to our shareholders. It also makes Boustead a rewarding and fulfilling place of work for our employees.

Energy-Related Engineering

Real Estate Solutions

Geo-Spatial Technology

Absolute growth in gross dividend per ordinary share over one decade	Absolute growth in earnings per share over one decade	Absolute growth in net asset value per share over one decade	Average return on equity over one decade
▲1,198%	▲297%	▲303%	24%

OUR BUSINESS MODEL

Our experienced and versatile teams possess in-depth domain expertise and tremendous international experience. Following through with our clients on design, process and detailed engineering to the project management and commissioning of large-scale infrastructure-related projects, we are a knowledge-driven corporation with an excellent track record. Our in-house expertise in undertaking only the high value-added activities across the engineering value chain of activities means that we are able to focus on the details that matter most to our clients.

Employing a business model with inbuilt exportability and flexibility has enabled us to adapt our business operations to diverse situations and widespread geographic markets.

OUR STRATEGY

Leading market positions
We have made our mark in niche areas, undertaking important projects at many of the world's largest energy developments, Singapore's leading industrial parks and in support of government agencies regionally.

Reputable brand and proven track record
With a strong brand heritage, we have established reputable positions in our principal market sectors, bringing together engineering skills and proven technology in over 1,000 projects.

Acquisitions and investments
Our continuous search for value in acquisitions and investments is aimed at broadening our revenue streams and driving long-term sustainable growth.

Engineering and management expertise
Our teams offer in-depth domain expertise and deliver value engineering, helping our clients to achieve a highly effective cost competitive solution that raises efficiency and sustainability while eliminating wastage.

Balancing risk and reward
We are vigilant in aligning our strategies with risk ownership, ensuring that enhanced shareholder value and rewards are supported by sound risk management.

Excellent health and safety record
We strive to achieve the highest standards for workplace health, safety and environment, for the wellbeing and protection of every individual. We are a leader and active participant in the bizSAFE Programme initiated by the Workplace Safety & Health Council.

OUR VALUE CHAIN

Designing sustainable solutions

Committing to operational excellence

Delivering efficiency and value to our clients

Upholding our excellent reputation for credibility, reliability and trust

Generating increased revenue, profit and cash flow in a sustainable manner

Delivering long-term value to shareholders

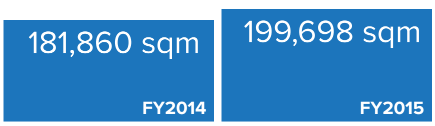
OPERATIONAL HIGHLIGHTS

13
consecutive years of dividend payout

Leading positions in markets with healthy long-term prospects

8%
compounded annual growth rate in profit before tax over past decade achieved by Geo-Spatial Technology Division

199,698 sqm
industrial leasehold portfolio (both completed and under construction)*



S$33.4m
record profit before tax attained by Energy-Related Engineering Division

S$284m
record contracts secured by Real Estate Solutions Division

Includes both wholly-owned and joint venture properties.

KEY ACHIEVEMENTS IN FY2015

APRIL 2015

Successful demerger and separate listing of Real Estate Solutions Division
Boustead Projects Limited was listed on the Main Board of the SGX on 30 April 2015.

MARCH 2015

Boustead Development Partnership takes off
Boustead Development Partnership was awarded its first two development contracts for GlaxoSmithKline at one-north and a European aerospace multinational corporation at the Seletar Aerospace Park.

NOVEMBER 2014

Award of largest geo-spatial contract in history
Esri Australia was awarded a landmark A$16.5 million contract from Australia's Department of Defence – the largest in its and the Geo-Spatial Technology Division's history.

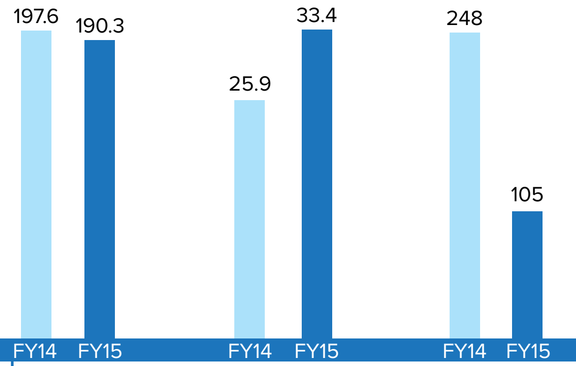
OCTOBER 2014

Going places in Malaysia
Boustead Projects Limited strengthened its presence in Malaysia, first with the launch of its joint venture business park development, iBP @ Nusajaya, and then with the award of a milestone construction contract at the Kulim Hi-Tech Park.

JUNE 2014

Moving into Edward Boustead Centre
The Boustead Group shifted into our new global headquarters, Edward Boustead Centre, which was designed and built by Boustead Projects Limited as a Green Mark Platinum showcase and symbolises our strong values in sustainability.

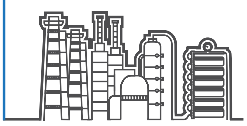
GROUP AT A GLANCE



Division Revenue (S$m)
S$190.3m
Year-on-Year
▼4%

Division Profit Before Tax (S$m)
S$33.4m
Year-on-Year
▲29%

Division Contracts Secured (S$m)
S$105m
Year-on-Year
▼58%



Energy-Related Engineering

The Energy-Related Engineering Division is focused on providing key process technologies for:

1. Oil & gas installations and petrochemical plants; and
2. Water & wastewater treatment plants for the energy sector.

The division has undertaken more than 1,200 projects in 83 countries globally.

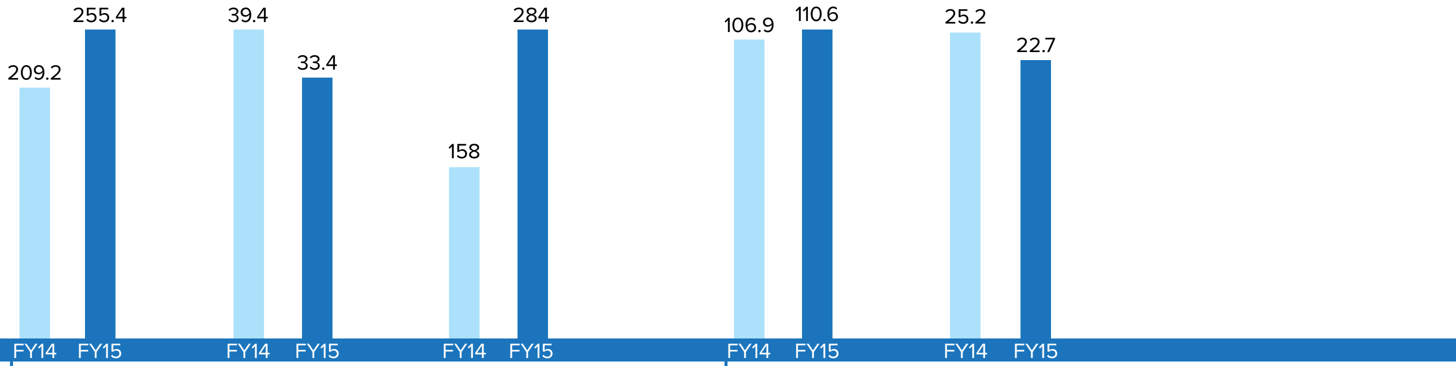
Go to pages 24-29 of the annual report.

13
consecutive years of dividend payout

Group Revenue
S$556.4m

Group Net Profit
S$63.3m

Group Net Cash Position
S$73.6m



Division Revenue (S$m)
S$255.4m
Year-on-Year
▲22%

Division Profit Before Tax (S$m)
S$33.4m
Year-on-Year
▼15%

Division Contracts Secured (S$m)
S$284m
Year-on-Year
▲80%

Real Estate Solutions

The Real Estate Solutions Division (i.e. Boustead Projects Limited) is focused on providing design-and-build and development expertise for:

1. Industrial facilities;
2. Commercial buildings; and
3. Industrial and business parks.

The division has delivered more than 3,000,000 square metres of industrial real estate regionally. It is a leader in pioneering advanced environmentally-sustainable industrial facilities.

Go to pages 30-35 of the annual report.

Division Revenue (S$m)
S$110.6m
Year-on-Year
▲3%

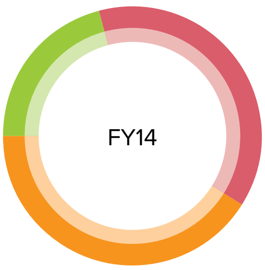
Division Profit Before Tax (S$m)
S$22.7m
Year-on-Year
▼10%

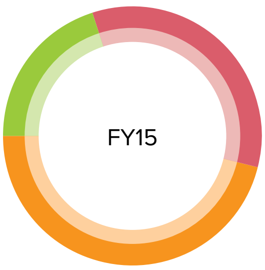
Geo-Spatial Technology

The Geo-Spatial Technology Division is focused on providing professional services and exclusive distribution of Esri geo-spatial technology, the world's leading geographic information systems.

The division has more than 13,000 clients including key government agencies and multinational corporations across its seven exclusive markets in Australia and South East Asia.

Go to pages 36-43 of the annual report.





Revenue by Division	FY14	FY15
Energy-Related Engineering*	38%	34%
Real Estate Solutions	41%	46%
Geo-Spatial Technology	21%	20%

* *Water & Wastewater Engineering's financial results have been grouped under Energy-Related Engineering.*

Group Contracts Secured
S$389m

Earnings Per Share
12.3¢

Net Asset Value Per Share
73.0¢

GLOBAL PRESENCE

Projects undertaken in **84** countries

PROJECTS TRACK RECORD

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

PROJECTS ONGOING IN FY2015

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

NORTH AMERICA & SOUTH AMERICA

Latin America & Caribbean

- Argentina
- Bolivia
- Brazil
- Chile
- Dominican Republic
- Mexico
- Netherlands Antilles
- Peru
- Venezuela

North America

- Canada
- U.S.A.

EUROPE

Eastern Europe

- Hungary
- Poland
- Russia
- Slovakia
- Ukraine

Northern Europe

- England
- Finland
- Ireland
- Isle of Man
- Lithuania
- Norway
- Scotland
- Wales

Southern Europe

- Cyprus
- Greece
- Italy
- Spain
- Turkey

Western Europe

- Austria
- Belgium
- Germany
- Netherlands
- Switzerland

AFRICA

Eastern Africa

- Tanzania

North Africa

- Algeria
- Egypt
- Libya
- Tunisia

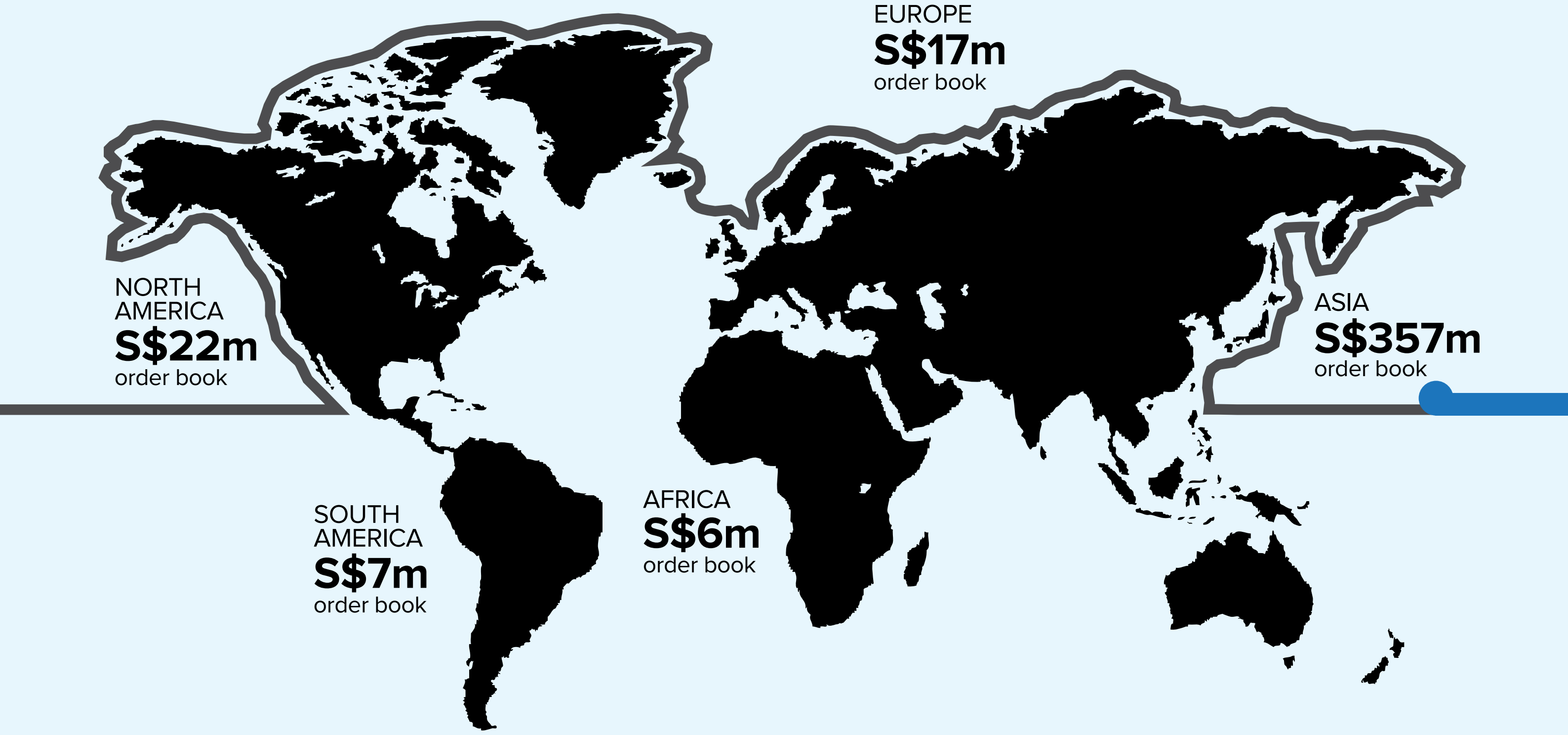
Middle Africa

- Angola
- Equatorial Guinea

Western Africa

- Gabon
- Ghana
- Nigeria

Order book backlog of S$409 million*



* *Order book backlog as at the end of FY2015 plus new orders secured since.*

ASIA

East Asia & Central Asia

Azerbaijan
China
Hong Kong
Japan
Macau
South Korea
Taiwan
Turkmenistan

South East Asia

Brunei
Indonesia
Malaysia
Philippines
Singapore
Thailand
Timor-Leste
Vietnam

South Asia

Bangladesh
India
Maldives
Pakistan
Sri Lanka

South West Asia

Bahrain
Jordan
Kuwait
Oman
Qatar
Saudi Arabia
U.A.E.

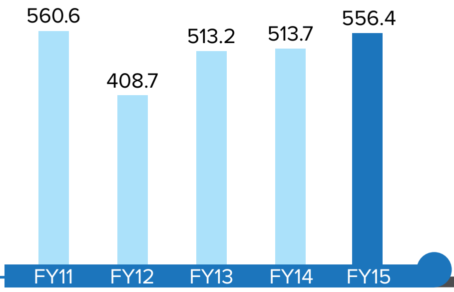
AUSTRALIA & OCEANIA

Australia
New Caledonia
New Zealand
Papua New Guinea

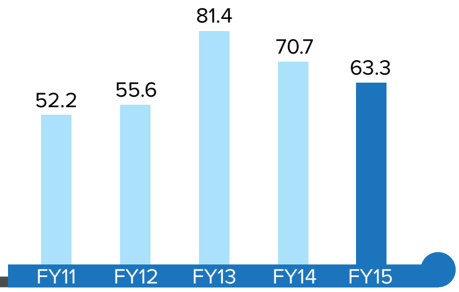
FINANCIAL HIGHLIGHTS

	31 Mar 15 S$'000	31 Mar 14 S$'000	31 Mar 13 S$'000	31 Mar 12 S$'000	31 Mar 11 S$'000
REVENUE AND PROFITS					
Revenue	**556,405**	513,705	513,198	408,695	560,572
Gross profit	**186,185**	175,402	177,402	146,028	178,080
Profit before income tax	**88,981**	90,637	97,423	71,928	73,573
Profit for the year	**66,349**	74,046	84,480	58,416	58,578
Profit for the year attributable to equity holders of the Company	**63,282**	70,685	81,357	55,584	52,235
Cash/Scrip dividends	**(21,782)**	(36,121)	(35,154)	(25,264)	(35,446)
Distribution of shares *in specie*	**(80,483)**	-	-	-	-
STATEMENT OF FINANCIAL POSITION					
Equity attributable to equity holders of the Company	**379,996**	352,348	300,868	254,454	229,416
Non-controlling interests	**10,456**	9,352	11,458	9,878	8,053
CAPITAL EMPLOYED	**390,452**	361,700	312,326	264,332	237,469
Trade receivables (non-current)	**7,438**	9,183	10,436	7,438	7,438
Prepayments (non-current)	**1,241**	1,221	-	-	-
Available-for-sale financial assets (non-current)	**73,387**	69,392	32,340	48,896	9,684
Property, plant and equipment	**16,732**	17,025	18,545	17,159	15,775
Investment properties	**159,857**	108,962	50,346	52,142	13,463
Goodwill	**-**	1,322	1,568	1,580	1,536
Other intangible assets	**1,452**	2,420	1,829	1,754	1,875
Investments in associated companies	**3,761**	3,959	2,787	2,787	5,192
Investments in joint ventures	**10,728**	4,467	-	-	-
Net deferred income tax assets	**210**	548	955	1,106	520
Net current assets	**299,121**	200,425	221,887	151,370	205,433
Non-current liabilities (excluding deferred income tax liabilities)	**(183,475)**	(57,224)	(28,367)	(19,900)	(23,447)
ASSETS EMPLOYED	**390,452**	361,700	312,326	264,332	237,469
FINANCIAL STATISTICS					
Operating profit over turnover (%)	**16.0**	17.6	19.0	17.6	13.1
Return on equity (%) (Note[1])	**16.7**	20.1	27.0	21.8	22.8
Gross dividend per ordinary share (cents)	**19.5**	7.0	7.0	5.0	7.0
Dividend cover (times)	**0.6**	2.0	2.3	2.2	1.5
Basic earnings per ordinary share (cents) (Note[2])	**12.3**	13.9	16.2	11.0	10.3
Net asset value per ordinary share (cents) (Note[3])	**73.0**	68.4	60.0	50.4	45.3

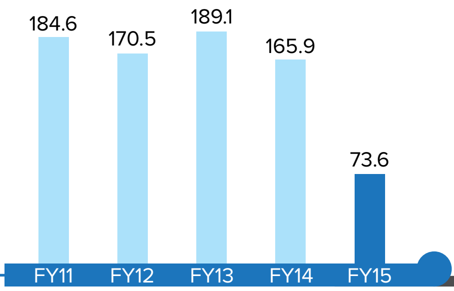
Notes:
1. *Based on profit for the year attributable to equity holders of the Company divided by equity attributable to equity holders of the Company.*
2. *Based on profit for the year attributable to equity holders of the Company divided by weighted average number of ordinary shares in issue during financial year ended 31 March.*
3. *Based on equity attributable to equity holders of the Company divided by number of ordinary shares in issue at end of financial year ended 31 March.*



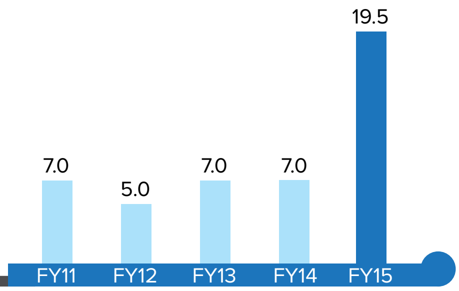
Group Revenue (S$m)
10-Year CAGR*
9%



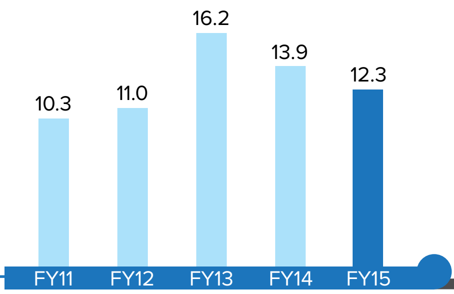
Group Net Profit (S$m)
10-Year CAGR
16%



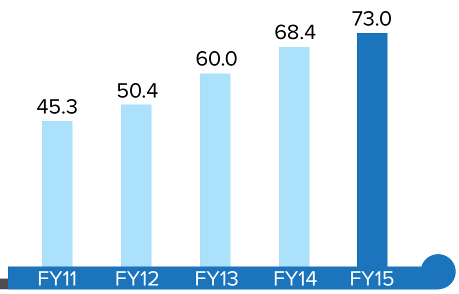
Net Cash Position (S$m)
10-Year CAGR
13%



Gross Dividend Per Orinary Share (Cents)
10-Year CAGR
29%



Earnings Per Ordinary Share (Cents)
10-Year CAGR
15%



Net Asset Value Per Ordinary Share (Cents)
10-Year CAGR
15%

** Refers to 10-year compounded annual growth rate.*

CHAIRMAN'S MESSAGE

Wong Fong Fui
Chairman & Group Chief Executive Officer

SUMMARY OF MESSAGE

- We achieved our second highest revenue performance at S$556.4 million. Our net profit registered at a respectable S$63.3 million.
- Our Energy-Related Engineering Division's PBT hit a new record of S$33.4 million, up 29%.
- Boustead Projects was listed on the Main Board of the SGX on 30 April 2015.
- Our Geo-Spatial Technology Division attained a recovery in revenue, increasing 3% to S$110.6 million.
- Together with our interim dividend of 2 cents paid and 15.5 cents equivalent dividend *in specie* of Boustead Projects' shares, the 19.5 cents dividend for FY2015 is our highest on record.

Dear Fellow Shareholder,
It gives me great pleasure to present to you the Boustead FY2015 Annual Report for the financial year ended 31 March 2015.

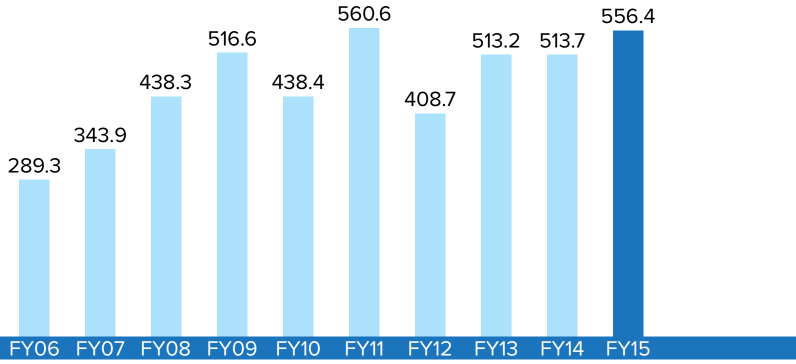
This past year, we achieved our second highest revenue performance at S$556.4 million, increasing 8% year-on-year and just shy of our record revenue attained in FY2011. Our net profit attributable to you – the owners of our company – registered at a respectable S$63.3 million, although it decreased 10% year-on-year.

Comparing our net profit on an apple-to-apple basis by stripping away the major non-recurring items year-on-year, our core net profit would instead be 3% higher than FY2014. We delivered a commendable set of financial results in the face of the challenges posed by global and local economic conditions.

FY2015 – Broad-Based Profitability in Tougher Economic Conditions

I am pleased to report that all three divisions turned in a profit before tax ("PBT") in FY2015, which allowed the Group to achieve broad-based profitability for the fourth successive year.

When we review the global economic environment, two factors, both originating from the U.S. had the largest impact on us over the past year. The first was the Federal Reserve's frequent hints of an eventual rate hike amid signs of better economic prospects in the U.S., which pushed USD to a five-year high against most major currencies (including AUD and SGD). This created currency headwinds for our Geo-Spatial Technology Division. The second was the U.S. shale boom, which helped to destabilise the demand and supply equilibrium in the global oil & gas



Group Revenue (S$m)
S$556.4m
10-Year CAGR
9%

industries and resulted in a freefall in Brent crude prices from US$115 per barrel to below US$50 before rebounding to above US$60. This negatively impacted our Energy-Related Engineering Division.

Following FY2014's record-breaking year, our Energy-Related Engineering Division had the tricky task of replicating comparable results in FY2015, especially with the slump in global crude prices. Nonetheless, our division delivered revenue of S$190.3 million, down just 4% from a year earlier. Even better, PBT hit a new record of S$33.4 million, up 29% on better cost management across specific projects. Entering FY2015 with bright prospects, our division's outlook dimmed soon after following the same path as the crude price plunge. The rather unexpected crash in crude prices also led to global oil & gas corporations significantly cutting back on more than US$100 billion in capital expenditures, resulting in delays in the award of sizeable contracts and the slow but sure depletion of our division's order book backlog over the period. A moment of déjà vu, we had entered our second down cycle in the short six years since the Global Financial Crisis.

In case you are curious about how our water business fared after we absorbed it into the Energy-Related Engineering Division, it managed to stay in the black with a PBT of S$0.9 million. Nothing exciting but then again, not posing any inconvenience to us either.

Our Real Estate Solutions Division (i.e. Boustead Projects Limited) topped the revenue contributors once again for the eighth consecutive year. On 30 April 2015, the successful demerger of Boustead Projects was completed with its separate listing on the SGX – which may I add is the first and only listing on the Main Board of the SGX in 2015 (at the point of writing this message). With its listing, Boustead Projects presented its inaugural financial results announcement for FY2015. Revenue rose 22% to S$255.4 million while PBT declined 15% to S$33.4 million. Stripping away the major non-recurring items year-on-year, Boustead Projects' core net profit would instead be 4% lower than FY2014. Revenue increased on both fronts at the design-and-build and leasing businesses. Boustead Projects continues to operate in a challenging business environment that has affected the entire real estate industry in Singapore.

Despite being confronted by currency headwinds, our Geo-Spatial Technology Division attained a recovery in revenue, increasing 3% to S$110.6 million. Stripping away revenue translation effects, revenue growth would have been in the mid-to-high single digits. This clearly demonstrates that there is firm demand for Esri products and services in our exclusive geographic territories. However, PBT was down 10% to S$22.7 million due to the afflictions of strengthening USD on our margins, as well as goodwill impairment at MapData Services, a subsidiary of Esri Australia which failed to live up to profit expectations after being acquired five years ago. Any significant fall in AUD against both USD (the currency that we purchase in) and SGD (the currency that we report in) may impact our results further down the road.

With our commendable set of financial results, your Board proposed a final dividend of 2 cents for your approval. Together with our interim dividend of 2 cents paid and 15.5 cents equivalent dividend *in specie* of Boustead Projects' shares which we distributed, the 19.5 cents dividend for FY2015 is our highest on record. We trust that this pleases you.

CHAIRMAN'S MESSAGE

Spinning Off Boustead Projects and Succession Planning

In last year's annual report, I spoke at length about how our portfolio of businesses gives us momentum. It begs the question then on why we decided to spin off Boustead Projects at this juncture and distribute 48.8% of Boustead Projects' shares to our shareholders. Allow me to elaborate further on our rationale for doing so.

If you have not already read our Circular and Introductory Document released for the demerger of Boustead Projects, we would encourage you to do so. It is by far one of the most transparent documents highlighting the hidden value within Boustead Projects. At least four good reasons were shared for the demerger. However, it is not these four reasons – all of which remain valid – that I would like to elaborate on and which you can easily read in the abovementioned documents. Instead, I would like to touch on two important points, succession planning and capital allocation.

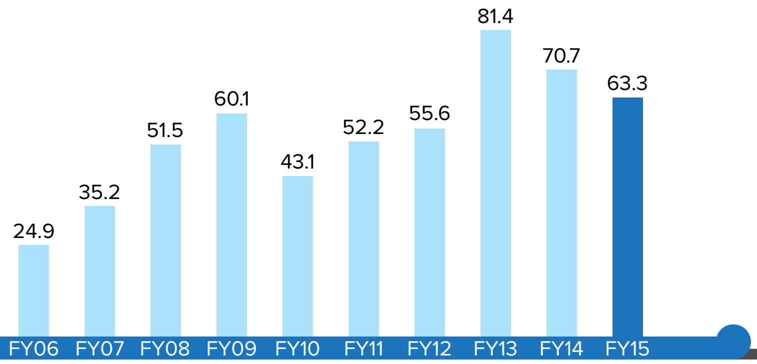
Let us face it, I am getting on in years. At 71, although my energy is still there, it is not what it used to be, even if my hair is none the whiter. The Board and more precisely, the Nomination Committee and I, have spent a considerable amount of time over the past five years looking for my successor. Alas, the search has been to no avail thus far. The difficulty in finding suitable candidates has been made tougher by the requirement for cross-industry depth of experience in energy, real estate and geo-spatial technology.

As the largest revenue contributor to our Group over the past eight years, the Real Estate Solutions Division has delivered about S$1.8 billion in total revenue over that period, representing 45% of the Group's revenue over that period. The division has reached a size where it stands on its own two feet comfortably, as is evident by its straightforward listing on the Main Board of the SGX instead of on the Catalist. This demerger is not simply about unlocking value but also about high level risk management.

Call me a cautious guy. Should anything untoward happen to me (touch wood), about half of our Group's business will go on operating without a hitch as if nothing had happened. Rest assured, we are leaving you in capable hands. Thomas Chu and Wong Yu Wei are clearly experienced and closer to the ground, and deserve due credit and the flexibility to move Boustead Projects in the right direction. To advise them, we have put in place a Board for Boustead Projects which is totally independent and has no overlap with that of our Board. Read the resumes of the independent non-executive directors at Boustead Projects – John Lim, Chong Lit Cheong, Dr Tan Khee Giap and James Lim – and you will find a treasure trove of relevant experience to guide Boustead Projects forward. Such capable leaders give me great comfort. I hope it does the same for you. In time, I believe that you will see plenty of value unlocked in Boustead Projects.

With Boustead Projects well taken care of, our Board and management really only has to worry about securing my successor, hopefully a strong business leader who will look after our other two divisions. I believe that this may make the task a tad bit easier. It also, at this point in time, frees up our management's time to focus on strategies for what remains.

This brings me to my second point on the demerger of Boustead Projects, that of capital allocation. You would have noticed by now that the business profile and balance sheet of Boustead Projects are quite different from the rest of the Group. Boustead Projects is the sole owner of the Group's industrial leasehold portfolio (asset heavy) and also the chief borrower of the Group's bank loans (user of leverage). Listing Boustead Projects provides it with the ability to invest in the growth of the industrial leasehold portfolio and other expansion activities without placing additional constraints on the rest of the Group. Our net cash position can then be freed for deployment in interesting acquisition opportunities that we may come across. Capital allocation within our Group is now clearly defined. On your part, we have also



Group Net Profit (S$m)
S$63.3m
10-Year CAGR
16%

given you the ability to directly control your capital allocation in us, as you now have the flexibility to choose to be a shareholder of both listed entities or retain one and divest the other, depending on what you are comfortable with. Take it also that I have transferred some of my risk management capabilities to you.

FY2016 – Injecting New Energy

This year's message on the front cover of our annual report states, "Positioning to inject new energy".

Following the spin off of Boustead Projects, what remains firmly within our control are our Energy-Related Engineering and Geo-Spatial Technology Divisions. In FY2016, we are positioning ourselves to inject new energy into the Group, both literally and metaphorically speaking.

With Boustead Projects contributing less to our bottomline in the future, the importance of the Energy-Related Engineering Division is likely to grow. True, we are witnessing dampened global crude prices. That does not change the fact that we are still great believers in the medium-to-long-term importance and prospects for energy in our world. Put simply, the world can save on consumer products and services during tough financial times but it cannot merely switch off electricity or scrimp on fuel to travel the same distance. The demand and supply equilibrium will eventually return to support prices.

Still on the topic of energy, the longer that crude prices stay at lower levels, the brighter our silver lining appears. As we search for new ways to grow our divisions, the one space that acquisition opportunities are beginning to look much more attractive is in the energy industry. This could not have been said one year ago, when valuations looked terribly expensive. What a difference a year makes. If we complete any energy acquisition in the near term, I can assure you that the valuation paid would be reasonable and well within our appetite.

Lastly, I would like to see FY2016 as the year that we position to inject new energy into the Group, metaphorically speaking. Since the Global Financial Crisis, we have maintained a respectable baseline performance. It has not been easy. However, as we reposition this Group, we aim to reinvigorate ourselves for the long-term future. After all, we still possess some very valuable attributes: a great brand name, strong values, track records, a healthy net cash position and balance sheet, and a knack for reinvention. Need an acquisition be only in the energy space or within one of our remaining two divisions? Not necessarily. Positioning to inject new energy could also come in the form of the Group being an incubator of new businesses with sustainable prospects. We will not see the immediate results in FY2016 but as we set things in motion and focus our efforts and time on the remaining two divisions, we hope to plant the seeds for many fruitful years to come.

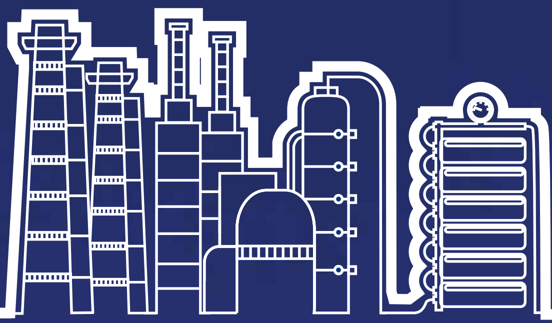
Our order book backlog of S$409 million (as at the end of FY2015 plus new orders secured since) is healthy. We will put our energy into securing more sizeable contracts in FY2016 and reinvigorating our Group.

A Word of Appreciation

To end off, I would like to express my deepest gratitude to our management and staff around the world for their efforts. I would also like to extend my thanks to all our clients, business partners, associates, bankers, suppliers and shareholders for your continuous support.

Thank you for supporting us. I look forward to seeing you at our upcoming Annual General Meeting.

Wong Fong Fui
Chairman & Group Chief Executive Officer



ENERGY-RELATED ENGINEERING

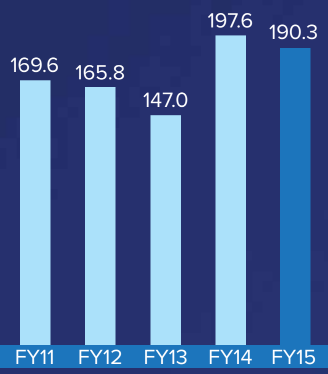
Market Sectors

- Crude oil and natural gas production
- Crude oil and natural gas refining
- Gas-to-liquids production
- Hydrogen power generation
- Liquefied natural gas production
- Oil sands upgrading
- Once through steam generation
- Power generation
- Waste heat recovery

Geographic Markets

- Africa
- Asia Pacific
- Australia
- Europe
- Middle East
- North America
- South America

Air preheaters, Turkmenistan

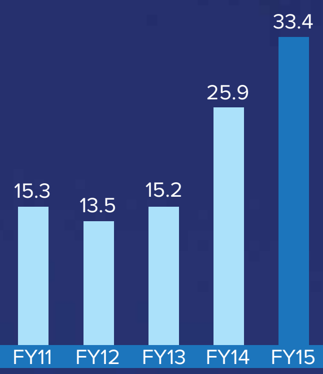


Division Revenue (S$m)

S$190.3m

Year-on-Year

▼4%

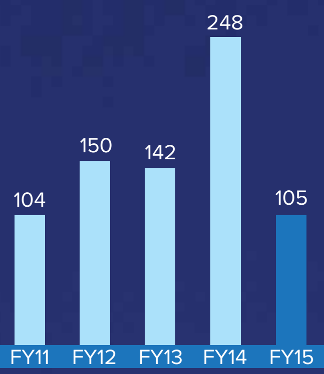


Division Profit Before Tax (S$m)

S$33.4m

Year-on-Year

▲29%



Division Contracts Secured (S$m)

S$105m

Year-on-Year

▼58%

ENERGY-RELATED ENGINEERING

MAJOR CONTRACT AWARDS & ACHIEVEMENTS IN FY2015

APR – JUN 2014

Africa, Asia Pacific, Middle East, North America
S$41 million

Process heater systems, WHRUs, WHCPs, ICSS systems and demineralisation plant

In FY2015, the Energy-Related Engineering Division managed its second highest revenue performance at S$190.3 million, down 4% from the previous year's record revenue. This was attained despite the weak business environment in the global oil & gas industries, which has persisted since the second quarter of FY2015 and resulted in a gradual depletion of the division's order book backlog as the year progressed. Profit before tax ("PBT") was a record S$33.4 million, up 29% and attributable to an overall improvement in margins and cost savings in specific projects.

Almost all of the revenue and profit contributions came from business units involved in providing key process technologies for:

1. Oil & gas installations and petrochemical plants; and
2. Water & wastewater treatment plants for the energy sector.

Downstream Oil & Gas/ Petrochemical Infrastructure

Boustead International Heaters ("BIH") is a leading global specialist in designing, engineering and supplying direct-fired process heater systems, waste heat recovery units ("WHRUs") and once through steam generators to the downstream oil & gas and petrochemical industries. In recent years, BIH has established a strong reputation in delivering WHRUs to the upstream oil & gas and power industries as well.

In FY2015, BIH progressed on schedule with over 30 projects across six continents, delivering key large-scale process heater systems and WHRUs to energy developments undertaken by global engineering, procurement & construction ("EPC") clients, and multinational and national oil & gas clients. WHRUs contributed to approximately 55% of BIH's revenue, with much of the remainder coming from process heater systems. The supply of process heater systems and WHRUs was mainly to oil refineries and gas processing plants within the downstream oil & gas industries.

Due to the slump in global crude prices, many major oil & gas corporations significantly cut back on capital expenditures across the board, both upstream and downstream. As a result, investment decisions for large enquiries were delayed even though BIH's enquiry pipeline remained relatively healthy and global downstream refining operations of most major oil & gas corporations were more profitable during the period. BIH did continue to see sustained activity from repeat clients investing in upgrading and refurbishment works for existing infrastructure. Further investments to upgrade brownfield projects or existing infrastructure are expected to be a larger part of BIH's enquiry pipeline as compared to investments in greenfield projects.

In light of lower global crude prices, competition for contracts also intensified. BIH has taken steps to better manage its supply chain to maintain its competitive edge and quality to its clients. This helped BIH to achieve record PBT in FY2015 stemming from improvements in project margins and cost savings in specific projects.

North America and Europe proved to be the most important markets for BIH, with more than one-third of all ongoing projects originating from these two continents. In North America, BIH progressed on four contracts each in the U.S. and Canada, where sophisticated process heater systems were supplied to an oil sands development for a repeat client. In Europe, BIH continued to advance on its largest projects of the year for the supply of process heater systems and WHRUs at gas processing and LNG plants.

On the business development front, BIH's extensive global network of quality fabricators and high level of service responsiveness were key factors in BIH successfully securing another two contracts for repeat clients in North America, which continues to be an important global energy market. In Canada, BIH was awarded a contract to supply process heater systems to Phase 3 of a project, after having secured contracts for a variety of process heater systems for Phase 2 of the same project about two years ago. Elsewhere, BIH also secured contracts across Africa, Asia Pacific, Europe, Middle East and South America, with several contracts related to capital expenditures for upgrading and refurbishment works at brownfield projects or existing infrastructure.

With its recognised technical competency in designing WHRUs, BIH strengthened its position in the industry through securing five new contracts to supply WHRUs, of which three are for the world's top gas turbine vendors, GE Oil & Gas and Siemens.

Going forward in FY2016, BIH expects that any persistent downtrend in global crude prices may result in further delays in investment decisions which will affect the negotiations of sizeable

JUL – SEP 2014
Asia Pacific, Middle East, South America
S$25 million

Process heater system, WHRUs, WHCPs and F&G detection systems

OCT – DEC 2014
Africa, Asia Pacific, Middle East, North America, South America
S$28 million

Process heater systems, WHRUs, WHCPs, HPUs, ICSS systems, CI skids and wastewater treatment plants

JAN – MAR 2015
Africa, Asia Pacific, Europe, Middle East
S$11 million

WHRUs, WHCPs, F&G detection systems and wastewater treatment plant

enquiries. BIH remains focused on seeking opportunities in major oil & gas regions, especially those regions where there are economically viable energy developments in the current oil & gas climate.

Upstream Oil & Gas Infrastructure
Boustead Controls & Electrics ("BC&E") is a well-recognised leader in designing, engineering and supplying wellhead control panels ("WHCPs") and systems which use either pneumatic/hydraulic-based or safety programmable logic controller-based logic, hydraulic power units ("HPUs"), integrated control & safety shutdown ("ICSS") systems, chemical injection ("CI") skids, fire & gas ("F&G") detection systems and other process control systems to the upstream oil & gas industries.

During FY2015, BC&E made good progress on projects for many repeat clients in the Middle East, India and Asia Pacific. Of worthy mention, BC&E substantially delivered nine integrated containerised wellhead e-houses deployed to Saudi Aramco's Manifa Project. BC&E has already put into service a number of these systems under a separate installation and commissioning contract awarded by Saudi Aramco. In India, BC&E continued to be the supplier of choice for process control systems installed at various production platform upgrading and refurbishment projects for the national oil & gas producer and end-user, ONGC.

FY2015 was an excellent year for BC&E in terms of both performance and new orders secured. PBT was the highest ever. A record S$34 million in new contracts were also secured from several new and repeat clients.

Reactor feed heaters, Saudi Arabia

WHRUs being lifted onto FPSO, Angola

ENERGY-RELATED ENGINEERING

Smart wellhead shutdown systems, Saudi Arabia

Wastewater recycling plant at Asia Symbol pulp & paper mill, China

This included contracts worth S$12 million from Abu Dhabi National Oil Company's entities – secured both directly and through EPC corporations – for the supply of hydraulic and electro-hydraulic wellhead control and safety shutdown systems.

Expanding its EPC client base, BC&E also secured a contract from new client, Snamprogetti for repeat end-user, Saudi Aramco, also for the supply of WHCPs where BC&E has built up a significant commercial advantage with proven in-house capabilities for all of the technologies involved.

Enquiry pipelines for WHCPs and hydraulic control systems were very healthy, with increased opportunities in onshore production facilities. A good number of contract wins came from the Middle East, specifically Saudi Arabia and the U.A.E. While the downtrend in global crude prices resulted in a delay on investment decisions for larger enquiries in the upstream oil & gas industries, there was a healthy order inflow from major oil & gas clients investing in upgrading and refurbishment works for brownfield projects or existing infrastructure.

Going forward in FY2016, BC&E will be focused on opportunities in the Middle East, India and Asia Pacific, where it has a strong market presence. The market outlook remains somewhat challenging with significantly less activity in greenfield projects but potential opportunities exist for upgrading and refurbishment works which require lower capital expenditures. To provide better service to existing clients in the Middle East, BC&E will be setting up local offices in Abu Dhabi and Saudi Arabia.

Water & Wastewater Engineering for Energy Sector

Boustead Salcon Water Solutions ("BSWS") is a leading global water & wastewater engineering specialist for the energy sector and Singapore's largest ion exchange specialist in the energy sector. BSWS' in-depth domain expertise and vast experience focuses on seawater desalination, ion exchange and wastewater recycling. With more than 800 installations in 60 countries worldwide, BSWS has delivered projects across the oil & gas, petrochemical, pharmaceutical, power, semiconductor and special defence industries, as well as for municipal authorities.

Unlike its competitors, BSWS is a fully integrated engineering, procurement, construction & maintenance contractor and is approved by the Building & Construction Authority of Singapore for Grade ME11-L6 to execute mechanical and electrical contracts of unlimited value. In addition, BSWS has the outstanding distinction of being one of an exclusive group of Asian specialists outside of Japan to be a pre-qualified vendor to several of the world's largest EPC corporations.

Following BSWS' streamlining of its business development and operations to focus on the energy sector, specifically the power and oil & gas industries, BSWS has been regrouped under the Energy-Related Engineering Division. The slump in global crude prices affected BSWS' enquiry pipeline in different ways. Enquiry levels for the upstream oil & gas industries suffered a significant slowdown, with investment decisions for larger enquiries delayed and noticeably longer negotiation periods. On the other hand, enquiry levels for the power and downstream oil & gas industries continued to be relatively healthy as lower global crude prices resulted in a situation of cheaper feedstock made available for power and refining operations.

During FY2015, BSWS made progress on industrial water and wastewater treatment projects across five countries in Africa, Asia Pacific and Middle East. In Nigeria, BSWS completed ammonia and urea water filtration and condensate polishing plants for Indorama's US$1.2 billion fertiliser complex at Port Harcourt, which boasts the world's largest single train urea complex.

In Taiwan, BSWS progressed on an 118,560 cubic metres/day condensate polishing plant at Taiwan Power Company's 1,600MW ultra supercritical coal-fired thermal power plant. Advanced ion exchange technology has been employed within the condensate polishing plant to produce high grade pure boiler feedwater for the power plant, making it more energy-efficient and environmentally-friendly as compared to existing traditional coal-fired power plants. The condensate polishing plant is undergoing installation and is expected to commence operations in July 2015.

BSWS also completed the design and construction of water and wastewater treatment plants at the Petronas LNG Complex for the LNG Train 9 in Bintulu, Sarawak. The Petronas LNG Complex is one of the world's largest LNG plants and has eight production trains with a combined capacity of 25.7 million tonnes per annum.

The Middle East was the centre of much attention for BSWS during FY2015. Firstly, BSWS completed a remineralisation plant at the Rabigh II Petrochemical Project in Saudi Arabia. The Rabigh II Petrochemical Project is owned by a domestic public-listed company with Saudi Aramco and Sumitomo Chemical each owning 37.5% of the shares. The project is part of the petrochemical complex's expansion plans to process 30 million cubic feet/day of ethane, 300,000 tonnes per annum of ethylene and three million tonnes per annum of naphtha, which will be used as feedstock to produce a variety of high value-added petrochemical products.

Secondly, BSWS secured three new contracts for the Saudi Yanbu Power & Desalination Plant Phase 3. These include contracts to design and construct a demineralisation plant and wastewater treatment plants for biological, chemical and oily wastewater. The 3,100MW power plant will be one of Saudi Arabia's first supercritical power plants to use heavy fuel oil as the main fuel source.

In FY2016, BSWS will remain focused on pursuing opportunities within the Asia Pacific and Middle East, centred within the energy sector. BSWS is also exploring detailed engineering and material sourcing in regional markets, with the intent to develop new technologies as substitutes to conventional water treatment systems.

Mini-Power Plants/Solid Waste Energy Recovery Plants

During FY2015, Boustead sold the Maxitherm brand along with all of its related intellectual property rights. This marks the scaling down of operations in designing, engineering and supplying mini-power plants, solid waste energy recovery plants and associated combustion technology.

Industrial Leasehold Portfolio GFA (both completed and under construction)*

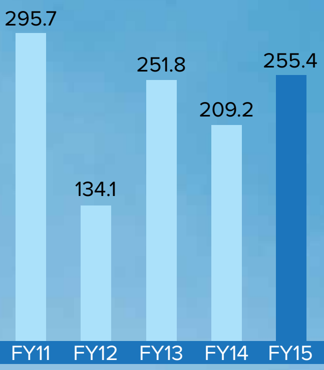
199,698 sqm

REAL ESTATE SOLUTIONS

Market Sectors
- Aerospace
- Commercial
- Electronics
- Food processing
- High-tech manufacturing
- Lifestyle
- Logistics
- Natural resources
- Pharmaceutical/healthcare
- Precision engineering
- R&D
- Technology

Geographic Markets
- South East Asia

Edward Boustead Centre, Singapore

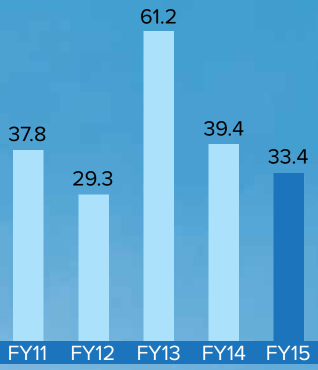


Division Revenue (S$m)

S$255.4m

Year-on-Year

▲22%

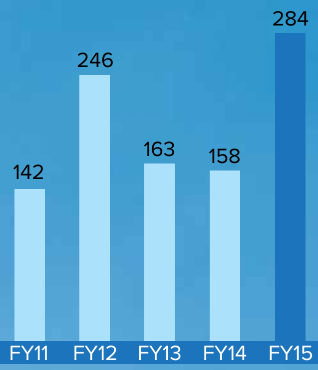


Division Profit Before Tax (S$m)

S$33.4m

Year-on-Year

▼15%



Division Contracts Secured (S$m)

S$284m

Year-on-Year

▲80%

** Includes both wholly-owned and joint venture properties.*

REAL ESTATE SOLUTIONS

MAJOR CONTRACT AWARDS & ACHIEVEMENTS IN FY2015

AUG 2014

Singapore

BDP established to develop and redevelop modern logistics and high quality industrial facilities

For the eighth consecutive year, the Real Estate Solutions Division (i.e. Boustead Projects Limited) topped the revenue contributors among the divisions. Revenue climbed 22% to S$255.4 million, as more design-and-build revenue was generated. PBT declined 15% to S$33.4 million, mainly due to the absence of non-recurring gains, increase in overhead and other operating expenses, higher finance costs and negative share of results of an associated company and joint ventures.

Boustead Projects 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, Boustead Projects has constructed and developed more than 3,000,000 square metres ("sqm") of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects is approved by the Building & Construction Authority ("BCA") for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Boustead Projects is a leader in pioneering advanced environmentally-sustainable facilities under the BCA's Green Mark Programme and U.S. Green Building Council's Leadership in Energy & Environmental Design ("LEED") Programme. In Singapore, Boustead Projects is one of only 10 bizSAFE Mentors and also a bizSAFE Star.

FY2015 proved to be a continuation of the challenging business environment in Singapore which has persisted over the past three years. While the enquiry pipeline was healthy, more intense competition and a shortage of foreign labour persisted due to government policies that have tightened foreign worker quotas while simultaneously increasing foreign worker levies in a progressive manner over four consecutive years. Such measures have put additional pressure on margins across the entire real estate industry.

Design-and-Build Business

Design-and-build revenue increased to S$228.9 million, up 22% in FY2015. This was achieved through the completion of Boustead Projects' largest ever design-and-build project, in addition to the progressive delivery of several other design-and-build projects. However, design-and-build PBT declined 30% to S$19.5 million due to additional pressure on margins and the absence of a non-recurring gain in FY2015, whereas there was a S$5.3 million gain on disposal of assets held for sale in FY2014.

In FY2015, Boustead Projects completed eight design-and-build projects spanning across the commercial, engineering, logistics, pharmaceutical, property and technology industries. Boustead Projects' multi-disciplinary integrated in-house design and implementation capabilities spanning the full lifecycle of industrial real estate projects enables it to offer a more comprehensive suite of solutions to better suit its client's unique needs, delivering quality at controlled costs.

Boustead Projects' landmark delivery of the year was clearly the Seagate Singapore Design Center – The Shugart located at Fusionopolis, one-north. Named after Seagate Technology's late founder, Alan Shugart, The Shugart was completed in a record 18 months with a nine-floor tower adjoining a six-floor tower with three basement carpark levels. The Shugart is an integrated design and R&D centre with a focus on the development of 2.5-inch small form-factor hard drives, hybrid drives, firmware, software and technologies. The Shugart will be able to house more than 900 Seagate Technology employees in Singapore. Adding onto the challenge of a tight project timeframe was the aim to achieve the highest levels of eco-sustainability in The Shugart. The collection of environmental-friendly features incorporated into The Shugart helped it to clinch the Green Mark Platinum Award.

Boustead Projects also designed and built the Boustead Group's and SGX-listed Tat Hong Holdings Limited's new headquarters, Edward Boustead Centre, a joint venture between Boustead Projects Limited and Tat Hong Investments Pte Ltd. The 8,759 sqm Edward Boustead Centre, named as a tribute to the founder of the Boustead Group, was completed in just under 10 months, proving to be yet another testimony to Boustead Projects' speed in delivering quality industrial facilities. Edward Boustead Centre is a benchmark showcase of eco-sustainability in industrial facilities, having attained the Green Mark Platinum Award for its green building features. It is also an outstanding example of the Boustead Group's and Boustead Projects' continued commitment to strong values in sustainability.

Adding to Boustead Projects' reputation as the builder of choice for Green Mark Platinum-rated facilities in the logistics industry, it completed DB Schenker's largest investment in the Asia Pacific.

OCT 2014
Singapore

S$20 million design-and-build contract for AATC at SA Park

OCT 2014
Singapore

S$137 million in design-and-build contracts for integrated food processing, logistics and office facility; Kuehne + Nagel's integrated logistics and office facility; and warehouse facility

OCT 2014
Malaysia

THAB's official sales launch of Phase 1 of iBP @ Nusajaya in Iskandar Malaysia

The integrated ramp-up logistics and office facility at Tampines LogisPark was delivered in a short period of 16 months and achieved the Green Mark Platinum Award. DB Schenker operates it as a shared logistics centre for its clients in the automotive, electronics and healthcare industries.

FY2015 also witnessed Boustead Projects capturing a record level of new contracts, with eight contracts totalling S$284 million in value. Starting the excellent run, Boustead Projects secured the Airbus Asia Training Centre ("AATC"), located at the world-class 320-hectare Seletar Aerospace Park ("SA Park") in Singapore. Following the award of the AATC, Boustead Projects was also awarded S$137 million in contracts in the food processing, logistics and renewable energy industries. Further enhancing its excellent track record in the logistics industry, Boustead Projects secured Kuehne + Nagel's advanced integrated logistics and office facility, which is earmarked to achieve both the Green Mark Platinum Award and LEED Gold Award.

As part of business development efforts to expand regionally, Boustead Projects made headway in the new geographic market of Malaysia with its first construction contract secured there for a medical device manufacturing facility at the Kulim Hi-Tech Park. This is the third project that Boustead Projects is undertaking for a repeat client, a Fortune 500 pharmaceutical corporation for which it had previously completed two projects in Singapore.

In FY2016, Boustead Projects will continue to target projects which require high levels of technical specifications in higher value-added

Seagate Singapore Design Center – The Shugart, Singapore

DB Schenker Shared Logistics Center 3 (Tampines LogisPark), Singapore

REAL ESTATE SOLUTIONS

OCT 2014

Malaysia

S$43 million construction contract for Fortune 500 pharmaceutical corporation's medical device manufacturing facility at Kulim Hi-Tech Park

Perspective of Beijing Tongzhou Integrated Development, China

Perspective of iBP @ Nusajaya within SiLC, Malaysia

industries including the aerospace, high-tech manufacturing, information technology, media, pharmaceutical and R&D industries. In order to reduce reliance on foreign labour, efforts to explore new construction methodology and practices to increase productivity and quality have been ongoing for some time. We will also be actively reviewing overseas opportunities to expand our regional footprint.

Leasing Business

Leasing revenue came in at S$26.5 million, rising 21%. Leasing PBT grew by 23% to S$13.9 million.

During the year, Boustead Projects added four newly completed design-build-and-lease projects to the industrial leasehold portfolio*, increasing the completed portfolio by over 49,000 sqm. These projects are Edward Boustead Centre, Continental Building Phase 2, and industrial facilities for Energy Alloys and MTU.

Continental Building Phase 2 is a 4,936 sqm extension adjoining the existing Continental Building Phase 1 located at the Kallang iPark. The new wing consists of six floors and is directly connected to Phase 1 at specific floor levels, bringing the total gross floor area of Continental Building to 16,186 sqm dedicated to R&D activities for automotive systems.

Energy Alloys' manufacturing facility is 10,523 sqm and hosts a full range of machining capabilities to process specialised steel products for distribution to the oil & gas industries in the Asia Pacific. As part of its regional expansion plans, Energy Alloys relocated its operations at two existing facilities at Enterprise Road and Tuas Bay Drive to the new facility.

** Includes both wholly-owned and joint venture properties.*

MAR 2015
Singapore

BDP's development for GSK's global headquarters for Asia – inaugural project for BDP

MAR 2015
Singapore

BDP's development for European aerospace corporation's integrated MRO hangar and mezzanine office facility

APR 2015 (POST-FY2015)
Singapore

Successful demerger and separate listing of Boustead Projects Limited on Main Board of SGX

At the end of FY2015, Boustead Projects completed MTU's Asia Pacific headquarters at the Tukang Innovation Park. The 24,800 sqm integrated maintenance, repair and overhaul ("MRO") service and training facility houses a regional service centre, training centre and workspaces for the servicing and remanufacturing of engines and propulsion systems for ships, heavy land, rail and defence vehicles, and machinery used in the oil & gas industries. The new headquarters brings together over 300 MTU employees in Singapore into a single facility, consolidating business functions including application engineering, distribution management, marketing and communications, and sales and service support.

As part of FY2016's pipeline of new projects which will eventually go into the industrial leasehold portfolio, Boustead Projects secured two development projects under the Boustead Development Partnership ("BDP") towards the end of FY2015. Boustead Projects will remain focused on pursuing design-build-and-lease opportunities for the industrial leasehold portfolio under the BDP, through reviewing opportunities for the development or redevelopment of primarily single-user industrial facilities to increase its stream of recurring rental income.

Strategic Partnerships

Boustead Projects has put in place several strategic partnerships and platforms to enhance its competitive position and enter new geographic markets and real estate sectors such as the commercial sector. These include the BDP and strategic partnerships with AME Construction Sdn Bhd, Tat Hong Holdings Limited and CSC Holdings Limited, as well as consortiums led by Perennial Real Estate Holdings Limited.

In August 2014, Boustead Projects established the BDP together with a reputable Middle East sovereign wealth fund. The BDP has a strategy to develop and redevelop modern logistics and high quality industrial facilities in Singapore, with a potential total investment pipeline of over S$600 million with leverage. The BDP is also the proposed investor for design-build-and-lease, development and redevelopment projects secured by Boustead Projects that meet the BDP's investment criteria. The BDP effectively commenced development activities by capturing its first two developments in March 2015. In its inaugural development, the BDP was appointed as the developer for GlaxoSmithKline's ("GSK") new global headquarters for Asia. The second development secured by the BDP is an integrated MRO hangar and mezzanine office facility for a leading European aerospace corporation.

Following Boustead Projects' entry into a joint venture, THAB Development Sdn Bhd ("THAB"), with AME Construction Sdn Bhd, SGX-listed Tat Hong Holdings Limited and SGX-listed CSC Holdings Limited in 2013 to develop 120,000 sqm of prime industrial land in the Southern Industrial & Logistics Clusters ("SiLC") in Iskandar Malaysia, the four partners officially launched Phase 1 of iBP @ Nusajaya, a premier freehold business park in October 2014. Offering 50 units out of a total 100 units of flexibly-designed detached and semi-detached modern factories, Phase 1 received 100% commitment on the official sales launch day. Boustead Projects owns 35% of iBP @ Nusajaya which is expected to yield 85,750 sqm of saleable area.

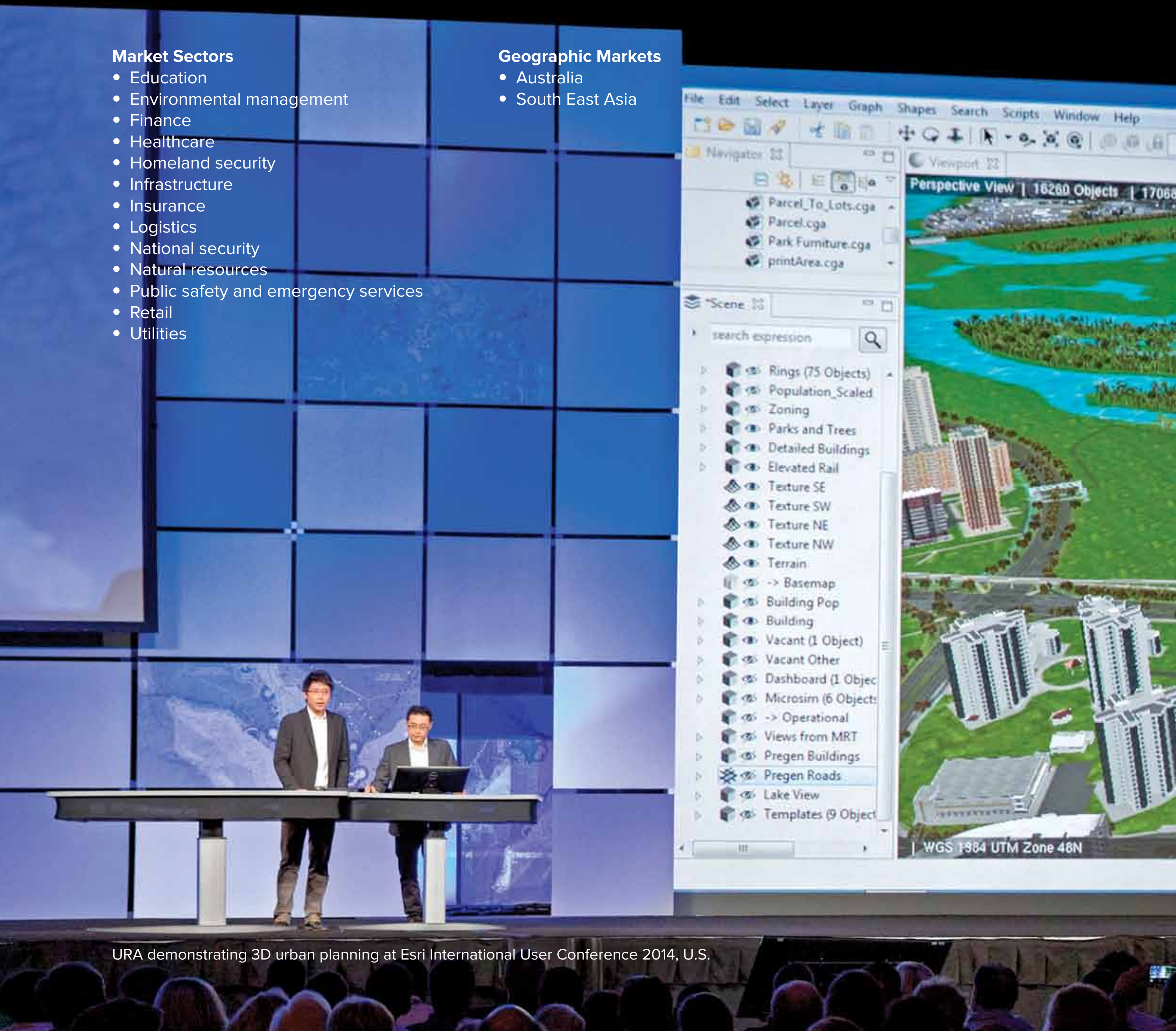
In China and Singapore, Boustead Projects is a partner in consortiums which are led by SGX-listed Perennial Real Estate Holdings Limited. Boustead Projects has a 4% stake in Phase 1 of the Beijing Tongzhou Integrated Development, a mixed-use Grade A iconic landmark currently under development in Beijing Tongzhou's Central Business District and fronting the famous Grand Canal. Phase 1 of the Beijing Tongzhou Integrated Development is a proposed 422,000 sqm commercial complex comprising a five-level retail podium and three towers of office and residential space. In January 2014, Boustead Projects invested S$18 million for a 5.5% stake in a consortium which purchased TripleOne Somerset, a Grade A property strategically located within the Central Business District and prime Orchard precinct in Singapore. The 71,215 sqm TripleOne Somerset comprises a two-level retail podium with 17 levels of office space. The TripleOne Somerset consortium is considering an asset enhancement initiative estimated to be S$150 million. Boustead Projects is bidding for the asset enhancement initiative and intends to expand its presence in the commercial sector.

Boustead Projects aims to extend its strategic partnerships in South East Asia, to establish a foothold in new geographic markets and real estate sectors by leveraging on the experience and knowledge of its partners while providing its comprehensive suite of solutions.

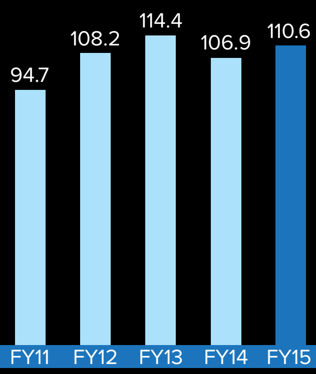
GEO-SPATIAL TECHNOLOGY

Market Sectors
- Education
- Environmental management
- Finance
- Healthcare
- Homeland security
- Infrastructure
- Insurance
- Logistics
- National security
- Natural resources
- Public safety and emergency services
- Retail
- Utilities

Geographic Markets
- Australia
- South East Asia



URA demonstrating 3D urban planning at Esri International User Conference 2014, U.S.

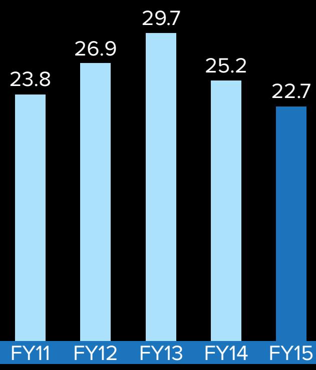


Division Revenue (S$m)

S$110.6m

Year-on-Year

▲3%

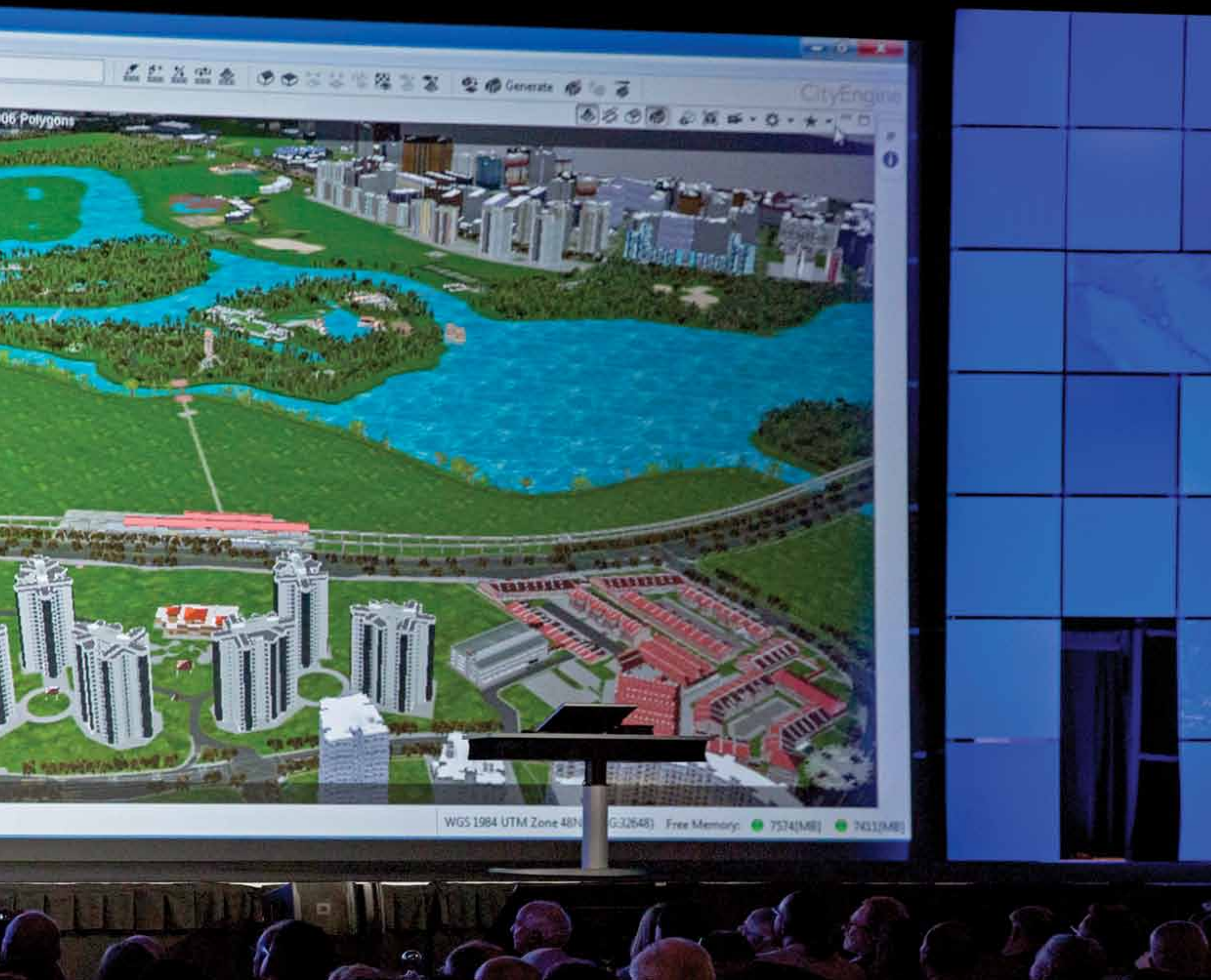


Division Profit Before Tax (S$m)

S$22.7m

Year-on-Year

▼10%



GEO-SPATIAL TECHNOLOGY

MAJOR CONTRACT AWARDS & ACHIEVEMENTS IN FY2015

JUL 2014

Australia

Cross-industries

Esri Australia awarded Global Marketing Award by Esri Inc

The Geo-Spatial Technology Division achieved revenue of S$110.6 million, an increase of 3%. This marked the division's second highest revenue performance despite the adverse impact of currency headwinds. PBT declined by 10% to S$22.7 million as a result of margin pressure caused by the weaker AUD against SGD exchange rate and an impairment of goodwill on a subsidiary, MapData Services. Nonetheless, demand for Esri geo-spatial technology remained firm across Australia and South East Asia.

The key companies in this division, Esri Australia and Esri South Asia (comprising Esri Singapore, Esri Malaysia and Esri Indonesia) provide professional services and are exclusive distributors of Esri geo-spatial technology – the world's leading geographic information systems ("GIS") – to major market sectors across the region. The division's GIS technology platform and professional services are used by over 13,000 organisations to effectively plan, deploy and manage key infrastructure and resources. The division is consistently ranked among the top five distributors in Esri Inc's global network.

During FY2015, two major events took place which spurred the activities of the division regionally.

Firstly, ArcGIS 10.3, the most significant update to Esri's ArcGIS platform in recent years was launched in the market and was well received by commercial and government clients. Highlights of ArcGIS 10.3 include the ability for users to easily make, share and analyse 2D, 3D and real-time smart maps, meaning organisations can now quickly create and distribute live information on smart maps, perform advanced analysis of current situations and predict future scenarios. In addition, ArcGIS 10.3 is accompanied by a host of new applications, including ArcGIS Pro, which is designed to further expand the use of the technology throughout existing client sites.

Secondly, further global GIS market consolidation took place following Google's withdrawal from the delivery of enterprise GIS. Regionally, the division together with Esri Inc, has been working closely with Google to help transition Google Earth Enterprise and Google Maps Engine customers to the Esri ArcGIS platform. The division will continue to work with Google to deliver continuity of service to relevant Google customers looking to transition.

Australia

In FY2015, Esri Australia continued to be the largest contributor to the division's revenue and PBT. A rise in the uptake of enterprise agreements ("EAs") – a flexible client engagement framework that provides organisations with additional support to help them realise the full value of their technology investments – was attributed to new clients from local government groups and the award of the largest contract in Esri Australia's history by Australia's Department of Defence ("Defence"). At the same time, demand for more flexible technology delivery methods saw a significant surge in the uptake of expanded Software as a Service ("SaaS") offering, including hosted and online GIS solutions, hence resulting in 113% growth in the SaaS revenue stream. Core revenue streams for professional services and after-sales maintenance also did well, with Esri Australia placing an emphasis on building recurring annuity revenues which help clients through the entire lifecycle of a project instead of one-off engagements, thus providing a strong base for growth in future years.

In a landmark deal, Esri Australia secured the largest contract in its and the division's history – a three-year A$16.5 million contract with Defence. Leveraging on both local and international expertise, Esri Australia will play a strategic role in supporting Defence in the creation of an enterprise-wide GIS. The partnership will deliver advanced geo-spatial and mapping capabilities across Defence, facilitating greater collaboration, quicker analysis, more robust planning and superior decision making for more than 65,000 military and civilian personnel with access across the entire Defence enterprise at fixed and deployed locations globally.

As cloud-based solutions continue to gain in popularity, the past year also saw the open data movement gain momentum on both a global and national scale, with the need for better access to content high on the agenda for government and industry bodies. Esri Australia provided the platform for the Open Data Institute of Queensland to develop an open data portal – a first for Australia – which provides free access to more than 10,000 high-quality datasets. The system is expected to serve as a benchmark for other national government agencies that are looking to establish open data management frameworks.

SaaS offerings and cloud-based GIS services remained a relevant area of growth for Esri Australia, with an expansion in ArcGIS Online deployments. For instance, Tasmania's Launceston City Council implemented an ArcGIS Online solution to share its

JUL 2014

Australia, Indonesia, Malaysia, Singapore

Cross-industries

South Australia Department of Communities & Social Inclusion, Queensland Department of Natural Resources & Mines, Singapore Land Authority, JUPEM's BGSP and Pertamina awarded SAG Awards by Esri Inc

OCT 2014

Malaysia

Government

Esri Malaysia signed MOU with MIMOS to support Open Innovation Platform

vast reservoirs of spatial data with residents and businesses available 24-hours-a-day. The council's online portal contains interactive smart maps layered with a range of data, including planning schemes, flood information and details on local facilities and services.

In another notable ArcGIS Online deployment, the New South Wales Land & Property Information ("NSW LPI") implemented a smarter scheduling system that enables government agencies, utilities and councils to coordinate infrastructure maintenance and construction across the state. With the ability to alert the various groups of opportunities to streamline the road maintenance schedule, the cloud-based solution provides NSW LPI with the most efficient infrastructure coordination capability in Australia. Elsewhere, the Australian Rail Track Corporation, Essential Energy, Insurance Council of Australia, Queensland Urban Utilities and Western Australia Department of Fisheries also took up SaaS projects to manage various aspects of their operations.

As in previous years, Esri Australia continued to consolidate its presence in the natural resources, telecommunications and utilities markets. Major GIS implementations were concluded for Amcom, QGC, Queensland Urban Utilities, Roy Hill and Telstra. As one of Australia's most prominent natural gas producers, QGC carried out a real-time GIS project to optimise its workplace health and safety practices. The solution leverages Esri's GeoEvent Extension for Server to consolidate real-time data feeds about the location of QGC personnel and alarm or threat information,

QGC GIS platform for real-time overview of safety operations, Australia

Guardian Evacuations app displaying nearby evacuation centres, Australia

GEO-SPATIAL TECHNOLOGY

URA 3D mapping with CityEngine, Singapore

Iskandar Malaysia GeoSpatial Platform, Malaysia

providing safety and security teams with a real-time overview of QGC's operations. This first-of-its-kind solution can pinpoint the location of staff during a crisis such as a flood or fire within seconds and is expected to serve as a benchmark for other organisations across the region.

In another milestone project centred on safety, Esri Australia worked closely with partners, GP One Consulting and QIT Plus to develop the Guardian Evacuations app – winner of the Global Disaster Resilience App Challenge organised by the United Nations Office for Disaster Risk Reduction and Esri Inc. Powered by Esri technology, the app links people fleeing from natural disasters with nearby evacuation centres through its smart mapping interface that displays centre locations and details, as well as real-time traffic, weather, flood and fire information to help citizens determine the safest routes during a disaster. The app is expected to be rolled out to councils across the country over the coming year and offered free to the public.

New technology advancements accompanying the release of ArcGIS 10.3 have helped to position the Esri ArcGIS platform as a business-critical system which can be embedded into clients' existing business databases and enterprise resource planning systems. Esri Australia partnered with Western Australia Department of Training & Workforce Development to commence the delivery of an Esri Maps for Cognos solution, which will ultimately be used to provide vital updates to state ministers and senior government personnel.

NOV 2014

Australia

Government

Esri Australia awarded A$16.5 million landmark contract by Defence – largest in history

DEC 2014

Australia

Government

Esri Australia provided GIS platform for Open Data Institute of Queensland to develop open data portal – Australia's first

JAN 2015

Malaysia

Government

Esri Malaysia partnered JUPEM's BGSP and MAF to develop uGEO for Defence Programme

Going forward in FY2016, business development efforts will be targeted towards the utilities, national security, retail and insurance sectors, which will see GIS technology being more widely deployed. Esri Australia will also look to strengthen alliances with major technology partners including IBM, Microsoft and SAP, and the Big Four consultancy firms being Deloitte, Ernst & Young, KPMG and PWC, to further support clients in their operations. The accelerated uptake of EAs and after-sales maintenance agreements will be underpinned by the broadened service offerings Esri Australia is incorporating into these agreements, including enhanced application support, cloud-based ArcGIS Online and SaaS which will continue to make GIS more accessible to the market.

Singapore

In FY2015, Esri Singapore worked closely with an increasing number of government agencies to support their technology platforms.

After signing a memorandum of understanding ("MOU") with the Urban Redevelopment Authority ("URA") in FY2014, Esri Singapore supported the URA with its development of a smart 3D mapping tool enabling Singapore's urban planners to carry out large-scale town planning simulations more efficiently. In July 2014, this relationship received international attention when the URA presented their world-leading 3D GIS capabilities and plans for Singapore's future to more than 15,000 industry experts at the Esri International User Conference 2014.

Separately, Esri Singapore collaborated with the URA and the National Library Board ("NLB") to deliver the first-of-its-kind mapping exhibit as part of NLB's festival celebrating maps and mapping. The Esri-driven application was well-received by senior government officials and thousands of members of the public.

FY2015 also saw a new EA signed with the Singapore Police Force and the Ministry of Home Affairs, and continuous involvement in test-bed partnerships with the Safety & Security Industry Programme Office. This sets a strong foundation for continued growth in the national security sector in the coming year.

Meanwhile, mobile GIS deployments continued to be a key area of growth. The Public Utilities Board ("PUB") rolled out a mobile solution for its asset management processes using Esri technology. PUB equipped its field force with mobile devices and lightweight applications to inspect water assets, providing its workforce with access to real-time information and greater situational awareness on daily operations.

Along with the URA, Esri technology has been a vital platform that is used by other key government land agencies, JTC Corporation ("JTC") and the Singapore Land Authority ("SLA"). JTC, the lead agency responsible for spearheading the planning and development of Singapore's industrial landscape is using Esri technology to develop a GIS platform that will help JTC to better understand the yield of its assets across the island.

Efforts to raise public awareness on the benefits of geo-spatial technology continued well into its seventh year, with strong support from the SLA. As an annual tradition, SLA held the Spatial Challenge, a national competition that encourages the innovative use of GIS in Singapore's schools. Supported by the Ministry of Education, the Spatial Challenge offers students hands-on experience in using Esri technology to develop smart solutions that address real-world challenges.

Announced in November 2014, Singapore is building the world's first Smart Nation by making full use of today's state-of-the-art technologies to support better living, create more opportunities and establish stronger communities. Part of this move is to leverage 3D smart mapping technology to create a 3D map of Singapore that would facilitate greater citizen engagement through crowdsourcing and enable the government to ensure ongoing developments can meet the needs of citizens now and in the future.

Aligning with the intentions of the Smart Nation Programme, Boustead together with Esri Singapore recently provided S$200,000 in seed funding for the establishment of a Community Analytics Development Programme ("CADP") jointly with the Institute of Social Analytics & Research at the National University of Singapore ("NUS"). The CADP will focus on the growing field of community analytics – a system of community-based tools and information portals to promote community integration and social cohesion. The CADP will be able to support teaching modules at NUS and other community engagement programmes by students at NUS.

FY2016 will see attention focused on the Singapore Government's Smart Nation Programme, where Esri technology has been readily identified as a key platform.

GEO-SPATIAL TECHNOLOGY

Malaysia

FY2015 was a breakthrough year for Esri Malaysia, with Esri Malaysia enjoying the greatest revenue growth by percentage terms within the division, contributed by successful engagements in the national mapping, national security and natural resources sectors. Esri Malaysia successfully developed the uGEO for Defence Programme for the Department of Survey and Mapping Malaysia's ("JUPEM") Defence Geospatial Division ("BGSP") to support the Malaysian Armed Forces' ("MAF") mission-critical operations with seamless access to accurate and authoritative geo-spatial data on demand.

Esri Malaysia was also involved in numerous high-profile GIS deployments throughout the year, providing key GIS support to the BGSP during search and rescue operations for flights MH370 and MH17. In the immediate aftermath of the MH17 disaster, ArcGIS Online was used to generate an operational dashboard of the crisis, providing important information for government agencies and other stakeholders involved in response and recovery efforts. Sister companies, Esri Malaysia and Esri Australia, were heavily involved in providing GIS support to their respective governments in search planning and operations for the missing MH370 in the Indian Ocean.

Similar to Singapore, Esri Malaysia strengthened partnerships with key Malaysian government agencies. An MOU was signed between Esri Malaysia and MIMOS – the national R&D centre in information and communications technology under the purview of the Ministry of Science, Technology & Innovation – which is anticipated to bring the government's R&D efforts in the field of national security to new heights. The MOU aims to support MIMOS' Open Innovation Platform, which involves collaborative engagements with government agencies including the Royal Malaysia Police, Ministry of Health, Immigration Department, Ministry of Defence, Performance Management & Delivery Unit and JUPEM. The partnership marks an important chapter in Esri Malaysia's contribution to the country, strengthening its defence and security agencies with readily accessible location-based technology.

Esri Malaysia also delivered an advanced mapping platform for the Iskandar Regional Development Authority ("IRDA") that is capable of integrating and analysing data from multiple business systems to enable urban planners, economic managers and other key decision makers to design and transform Iskandar into a world-class metropolis by 2025. The solution helps IRDA personnel to make up-to-the-minute strategic decisions to ensure that potential investments do not erode the attractiveness of the region's environment or upset its social communities. GIS has also helped to address one of the IRDA's biggest challenges – capturing, storing and crunching a large volume of big data and translating this into meaningful information about activities in and about Iskandar.

Indonesia

In FY2015, Esri Indonesia focused efforts on establishing strong operational foundations and an effective framework that can scale to accommodate growth expected in future years. Esri Indonesia's efforts to be part of the drive for greater access to GIS content is strongly aligned with the government's data management agenda through actively supporting the first phase implementation of the National Spatial Data Infrastructure ("Ina-SDI"). Esri Indonesia expects to increase its involvement as the Ina-SDI enters its second phase during FY2016 and beyond.

Moving from the national level to the capital, Jakarta, Esri technology was used to record and analyse data regarding distribution of flood points, floodwater levels, refugee numbers and evacuation points as part of a new flood management system for the Jakarta Disaster Management Agency.

During the year, some of Esri Indonesia's largest business opportunities emerged from the natural resources sector. Among these were projects undertaken for the Ministry of Energy & Mineral Resources, Pertamina Geothermal, as well as the development of an enterprise-wide GIS for PT Freeport Indonesia, the country's largest mining company. The platform developed incorporates mobile technologies and other GIS applications to provide the organisation with advanced data visualisation and real-time data monitoring and analysis capabilities.

Positioning a long-term GIS tertiary education programme, Esri Indonesia signed agreements with eight leading universities in Indonesia to incorporate GIS as a critical component of the country's education curriculum and groom future GIS professionals. These educational partnerships will position Esri's technology as key to Indonesia's rapid development and equip undergraduates with technical knowledge that is in demand within the country's job market.

Regional Accolades

FY2015 continued to be a year where the division and its clients were recognised for their achievements.

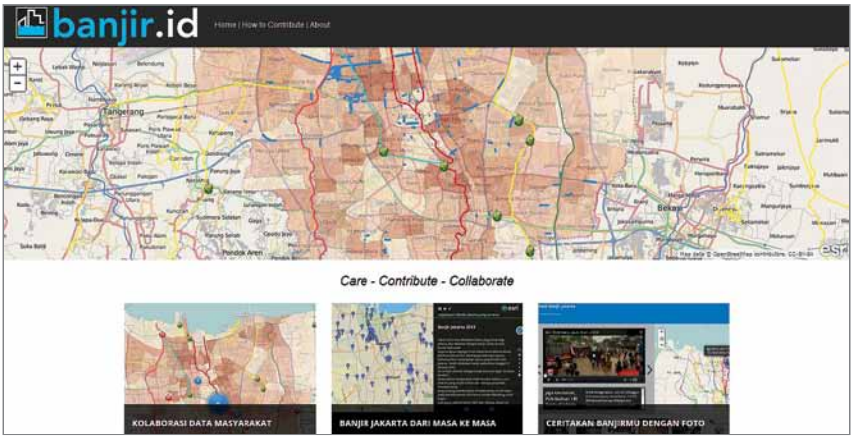
As well as the Guardian Evacuations app being globally recognised by the United Nations, several of the division's key clients received Special Achievements in GIS ("SAG") Awards at the Esri International User Conference 2014. Client recipients of SAG Awards include the South Australia Department of Communities & Social Inclusion, Queensland Department of Natural Resources & Mines, Singapore Land Authority, JUPEM's BGSP and Pertamina.

On the operational front, Esri Australia received the Global Marketing Award from Esri Inc, placing Esri Australia ahead of more than 80 other distributors worldwide. The award recognises the success of a number of major marketing initiatives, including the delivery of a landmark application with a national news broadcaster during Australia's 2013 Federal Election.

Esri Australia was further acknowledged for its efforts in the national security sector after being shortlisted in the Land Defence Australia Limited Innovation Awards for developing an intelligence analysis platform for Defence together with technology partners, IBM and Clavinger.

Hand-in-hand with its clients and business partners, the Geo-Spatial Technology Division continues its march towards becoming the largest and most influential GIS player in the Asia Pacific.

PT Freeport enterprise-wide GIS for mining operations, Indonesia



Jakarta Disaster Management Agency flood map, Indonesia

BOARD OF DIRECTORS

Wong Fong Fui
Chairman &
Group Chief Executive Officer
- Member, Nominating Committee

Bachelor of Engineering (Chemical Engineering), University of New South Wales
Honorary PhD (Business), University of New South Wales

Mr Wong was appointed as the Chairman and Group Chief Executive Officer in April 1996. He began his career as a chemical engineer in the oil & gas industries and subsequently co-founded various engineering and construction companies. Prior to joining the Boustead Group, he was the Group Managing Director of QAF Limited, a food manufacturing and retail company which he succeeded in turning around. He was also instrumental in the start-up and privatisation of Myanmar Airways International. An entrepreneur with proven success in diverse fields, his interests have expanded to include commercial aviation, education, food manufacturing and retail, information technology and telecommunications. In April 2009, Mr Wong received the Chief Executive Officer of the Year 2008 Award (market capitalisation of S$300 million to less than S$1 billion) at the Singapore Corporate Awards. He was also appointed by the Ministry of Finance to sit as Co-Chairman for the Land Sub-Committee of the Economic Strategies Committee. In November 2014, Mr Wong received an Honorary Doctor of Business from his alma mater, the University of New South Wales. More recently, he was recognised by the Singapore Chinese Chamber of Commerce & Industry with the SG50 Outstanding Chinese Business Pioneers Award and became a Co-Opted Member of the Entrepreneurship Committee of the National University of Singapore.

Loh Kai Keong
Executive Director &
Group Chief Financial Officer
Bachelor of Accounting, University of Singapore
Chartered Accountant of Singapore
Associate, Chartered Institute of Secretaries

Mr Loh joined the Boustead Group in 1999 and was appointed as an Executive Director in February 2005. He has over 30 years of experience in audit, financial and personnel management, and mergers and acquisitions. His appointments have spanned both the private and public sectors, covering air freight, the civil service, commercial aviation, communications and exhibitions, engineering, food, information technology, insurance, manufacturing, shipping, and retail and wholesale.

Wong Yu Loon
Executive Director
Bachelor of Law, University of New South Wales
Bachelor of Commerce (Accounting), University of New South Wales
Chartered Financial Analyst

Mr Wong joined the Boustead Group in 2003 and was appointed as an Executive Director in April 2013. He began his role at the Boustead Group as the Corporate Planning Manager and subsequently was promoted to Group Investment Director. In his present role, Mr Wong oversees mergers and acquisitions, fund raising activities and also heads the Boustead Group's investments in the energy sector. Mr Wong has more than a decade of widespread experience in mergers and acquisitions, fund raising and corporate advisory in roles at top investment firms across Australia and Singapore including Carnegie, Wylie & Company, DBS Bank and Vickers Ballas & Company.



Chong Ngien Cheong
Independent Non-Executive Director
- Chairman, Nominating Committee
- Member, Audit & Risk Committee
- Member, Remuneration Committee

Bachelor of Commerce, Nanyang University

Mr Chong was appointed as a Non-Executive Director in May 1996. Currently, he is a Director of Sang Chun Holdings Pte Ltd, an investment and holding company.

Godfrey Ernest Scotchbrook
Independent Non-Executive Director
- Chairman, Remuneration Committee
- Member, Audit & Risk Committee

Fellow, Hong Kong Management Association
Fellow, British Chartered Institute of Public Relations

Mr Scotchbrook was appointed as a Non-Executive Director in September 2000. He has been a specialist in corporate communications and crisis management for over 40 years. He founded Scotchbrook Communications, a firm focused on investor relations and business development. A proponent of good corporate governance, he is a Non-Executive Director of HKEx GEM-listed Convenience Retail Asia Limited and SGX-listed Del Monte Pacific Limited. He is a Fellow of the Hong Kong Management Association and British Chartered Institute of Public Relations.

Goh Boon Seong
Independent Non-Executive Director
- Chairman, Audit & Risk Committee
- Member, Nominating Committee
- Member, Remuneration Committee

Bachelor of Business Administration, University of Singapore

Mr Goh was appointed as a Non-Executive Director in January 2012. He has over 30 years of private sector management experience and is currently the President and Chief Executive Officer of WhiteRock Medical Company Pte Ltd, a medical device group focusing on respiratory and rehabilitation care. Prior to this, Mr Goh held various senior management positions within the Singapore Technologies Group in the areas of corporate development, investment and finance. Before joining the Singapore Technologies Group, he held senior management positions in investment banking at Morgan Grenfell, PrimeEast Group and Merrill Lynch.

KEY MANAGEMENT TEAM

BOUSTEAD SINGAPORE LIMITED – GROUP HEADQUARTERS

Wong Fong Fui
Chairman & Group Chief Executive Officer
Boustead Singapore Limited, 1996
(Profiled under Board of Directors, page 44)

Loh Kai Keong
Executive Director &
Group Chief Financial Officer
Boustead Singapore Limited, 1999
(Profiled under Board of Directors, page 44)

Wong Yu Loon
Executive Director
Boustead Singapore Limited, 2003
(Profiled under Board of Directors, page 44)

Chan Shiok Faun
Senior Vice President – Finance
Boustead Singapore Limited, 1991

Yeo Wee Leong
Senior Vice President – Internal Audit
Boustead Singapore Limited, 2008

Karen Kor
Vice President – Group Human Resources
Boustead Singapore Limited, 2013

Adrian Chu
Vice President – Business Development
Boustead Singapore Limited, 2003

Keith Chu
Vice President – Corporate Marketing & Investor Relations
Boustead Singapore Limited, 2003

ENERGY-RELATED ENGINEERING

DOWNSTREAM OIL & GAS/ PETROCHEMICALS

David Miller
Managing Director
Boustead International Heaters Ltd, 1997

Elizabeth Ager
Sales Director
Boustead International Heaters Ltd, 1997

Stuart Cummings
Operations Director
Boustead International Heaters Ltd, 2013

Peter Halstead
Finance Director
Boustead International Heaters Ltd, 2004

David Champneys
Process Engineering Director
Boustead International Heaters Ltd, 1999

Ian Kentsley
Projects Director
Boustead International Heaters Ltd, 1997

Steve Ruscoe
Manufacturing Director
Boustead International Heaters Ltd, 1997

Edward Watters
Consultant & ISO-Nominated "UK Expert"
Boustead International Heaters Ltd, 1997

Paul Miller
Managing Director
BIH Heaters Malaysia Sdn Bhd, 2001

Tommy Lim
Business Development Director
Boustead International Heaters Pte Ltd, 2009

Andrew Aherne
General Manager
Boustead International Heaters Canada Ltd, 2006

UPSTREAM OIL & GAS

Dev Lodh
Executive Chairman
Controls & Electrics Pte Ltd, 1987

Prasun Chakraborty
Chief Executive Officer
Controls & Electrics Pte Ltd, 1991

Vijayalakshmi Rajendran Meenakshi Sundaram
Head of Engineering
Controls & Electrics Pte Ltd, 1992

Raghavan Nair Gopa Kumar
Head of Projects
Controls & Electrics Pte Ltd, 1995

Subrata Chatterjee
Technical Advisor
Controls & Electrics Pte Ltd, 2001

Paul Lim
Sales Manager (Motors)
Controls & Electrics Pte Ltd, 2002

WATER & WASTEWATER ENGINEERING

Michael Teo
Chief Executive Officer
Boustead Salcon Water Solutions Pte Ltd, 1989

Ravi Subramanian
Head of Sales
Boustead Salcon Water Solutions Pte Ltd, 2014

Chong Siew Ping
Senior Technical Manager
Boustead Salcon Water Solutions Pte Ltd, 1994

Sun Ping
Senior Engineering Manager
Boustead Salcon Water Solutions Pte Ltd, 2004

Wong Hon Yee
Senior Project Manager
Boustead Salcon Water Solutions Pte Ltd, 1997

SOLID WASTE ENERGY RECOVERY

Woo Chew Fay
Project Director
PT Boustead Maxitherm Industries, 1993

REAL ESTATE SOLUTIONS

Thomas Chu
Managing Director
Boustead Projects Limited, 1997

Wong Yu Wei
Executive Director
Boustead Projects Limited, 2009

Steven Koh
Deputy Managing Director (Operations)
Boustead Projects Limited, 1999

Lee Keen Meng
Chief Financial Officer
Boustead Projects Limited, 2009

Liew Kau Keen
Director (Marketing)
Boustead Projects Limited, 2001

Howard How
Director (Safety)
Boustead Projects Limited, 2007

Neo Eng Huat
Director (Operations)
Boustead Projects Limited, 2007

Nicholas Heng
Director (Projects)
Boustead Projects Limited, 2007

Stephen Hawkins
Head
Boustead Funds Management Pte Ltd, 2012

GEO-SPATIAL TECHNOLOGY

ESRI AUSTRALIA

Brett Bundock
Managing Director
Esri Australia Pty Ltd, 1988

Kaylee Holdsworth
Chief Financial Officer
Esri Australia Pty Ltd, 2006

Raquel Jackson
Chief Marketing Officer
Esri Australia Pty Ltd, 2011

Kelvin Langdon
Executive Manager – Operations
Esri Australia Pty Ltd, 2005

Stephen O'Shanassy
Executive Manager – Business Development
Esri Australia Pty Ltd, 2007

Jeffrey Robinson
Executive Manager – Professional Services
Esri Australia Pty Ltd, 2011

ESRI SOUTH ASIA

Leslie Wong
Managing Director
Esri South Asia Pte Ltd, 2006

ESRI SINGAPORE

Thomas Pramotedham
Chief Executive Officer
Esri Singapore Pte Ltd, 2009

ESRI MALAYSIA

Lai Chee Siew
Chief Executive Officer
Esri Malaysia Sdn Bhd, 2011

ESRI INDONESIA

Bima Priadi
Chief Executive Officer
PT Esri Indonesia, 2007

INVESTOR RELATIONS

SUMMARY OF FY2015 INVESTOR RELATIONS ACTIVITIES

86
face-to-face/teleconference investor meetings hosted

229
investors met

6
investor conferences/ events attended

4
research firms providing coverage:
- AmFraser Securities
- CIMB Research
- Phillip Securities Research
- UOB Kay Hian Research

Investor Communications

For more than a decade, investor relations ("IR") has been a key facet of Boustead's communications with our stakeholders. Proactively communicating with analysts, investors, the media and the global financial community in an accurate, consistent, sincere, timely and transparent manner is a priority for us. During FY2015, our IR Team met 229 investors in meetings, investor conferences and investor presentations to share about our business strategies and financial performance.

In FY2015, four research firms maintained coverage on Boustead: AmFraser Securities, CIMB Research, Phillip Securities Research and UOB Kay Hian Research. These research firms issued 19 in-depth research reports on us during the year. CIMB Research and UOB Kay Hian Research also provided more in-depth analytical views on our demerger of the Real Estate Solutions Division (i.e. Boustead Projects Limited).

We continued to actively engage with institutional investors, presenting at three of Singapore's leading investor conferences organised in FY2015. These investor conferences were the PhillipCapital Corporate Day 2014, Morgan Stanley Asia Pacific Summit 2014 and Maybank Kim Eng Invest ASEAN 2015. Boustead also conducted two non-deal investor events with CIMB Research and Phillip Securities in Singapore.

As part of our investor communications programme, we continued our highly successful Retail Investor Outreach Programme dedicated to our growing base of retail shareholders. In December 2014, we held our third annual Retail Investor Days. The Retail Investor Days attracted 69 retail investors, who attended an informative presentation on Boustead over two days where they learned about competitive strengths, growth drivers and prospects for our various business divisions. Chairman & Group Chief Executive Officer, Mr Wong and the IR Team had the opportunity to give detailed insights and interact with retail investors through an in-depth Q&A session. For investor queries, please e-mail us at **ir.team@boustead.sg**.

FY2015 CALENDAR

MAY 2014
- FY2014 Financial Results Announcement
- FY2014 Financial Results Audiocast/Webcast Briefing

JUL 2014
- Phillip Securities Conference, Singapore – PhillipCapital Corporate Day 2014
- FY2014 Annual Report
- Annual General Meeting
- Extraordinary General Meeting

AUG 2014
- 1Q FY2015 Financial Results Announcement
- FY2014 final dividend payment of 3 cents
- FY2014 special dividend payment of 2 cents

OCT 2014
- Phillip Securities Non-Deal Roadshow, Singapore

NOV 2014
- 2Q FY2015 Financial Results Announcement
- Morgan Stanley Conference, Singapore – Morgan Stanley Asia Pacific Summit 2014

DEC 2014
- CIMB Securities Non-Deal Lunch for Institutional Clients, Singapore
- Retail Investor Days

JAN 2015
- FY2015 interim dividend payment of 2 cents or scrip

FEB 2015
- 3Q FY2015 Financial Results Announcement

MAR 2015
- Maybank Kim Eng Conference, Singapore – Maybank Kim Eng Invest ASEAN 2015 Pre-Site Visit to Boustead
- Circular and Introductory Document for Demerger of Boustead Projects Limited

DELIVERING VALUE TO SHAREHOLDERS

19.5¢*
dividend for FY2015

▲1,198%
growth from 1.5 cents dividend one decade ago

66.2¢*
dividends over past decade

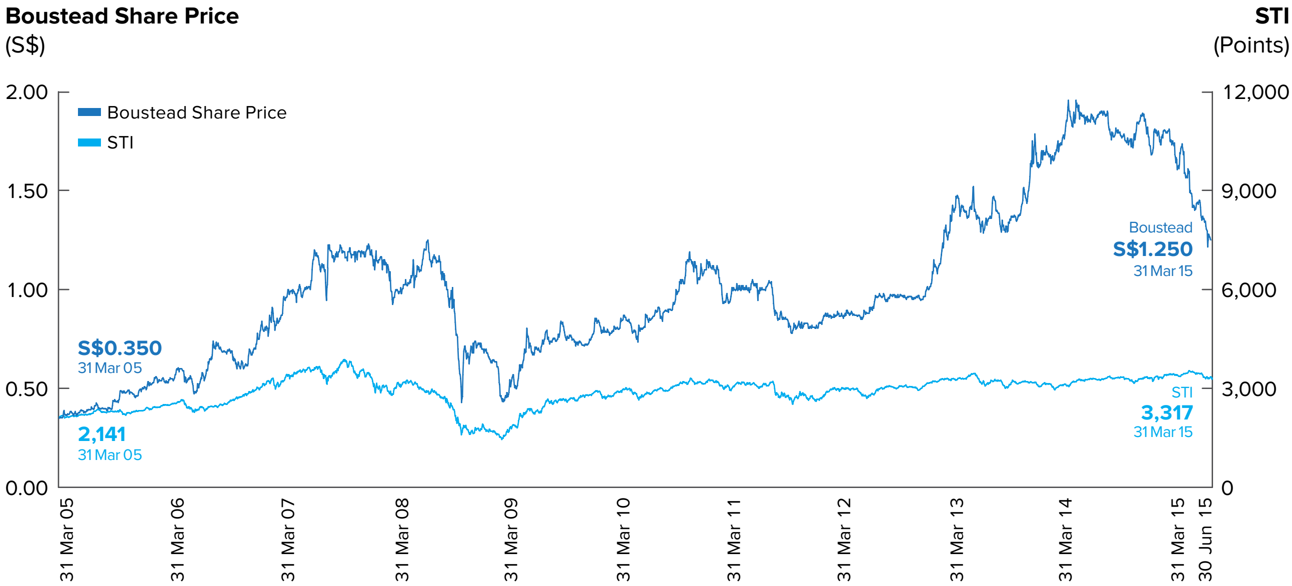
29%
CAGR in dividends over past decade

S$911.7m
market capitalisation in FY2015

▲422%
growth from S$174.6m market capitalisation one decade ago

** Includes proposed final dividend of 2 cents for FY2015.*

SHARE PERFORMANCE AND STI COMMENTARY



Opening FY2015 at S$1.865, Boustead's share price declined by approximately 33% over the past 15 months. Boustead's share price closed at S$1.250 on 30 June 2015. A major portion of the decline was due to the successful demerger of Boustead Projects Limited, which was separately listed on the Main Board of the SGX on 30 April 2015.

FY2016 CALENDAR*

APR 2015
- Maybank Kim Eng Conference, Singapore – Maybank Kim Eng Invest ASEAN 2015
- UOB Kay Hian Research Non-Deal Presentation, Singapore
- Extraordinary General Meeting for Demerger of Boustead Projects Limited
- DBS Bank Non-Deal Presentation for Institutional Clients, Singapore
- FY2015 dividend *in specie* of Boustead Projects Limited's shares
- Listing of Boustead Projects Limited on Main Board of SGX

MAY 2015
- FY2015 Financial Results Announcement
- FY2015 Financial Results Audiocast/Webcast Briefing
- SGX and CIMB Securities Conference, Singapore – SGX CIMB Conference 2015

JUN 2015
- Macquarie Securities Non-Deal Lunch for Institutional Clients, Singapore
- 8 Investment Millionaire Investment Program Networking Night, Singapore

JUL 2015
- FY2015 Annual Report
- Annual General Meeting
- Extraordinary General Meeting

AUG 2015
- 1Q FY2016 Financial Results Announcement
- FY2015 final dividend payment of 2 cents (proposed)

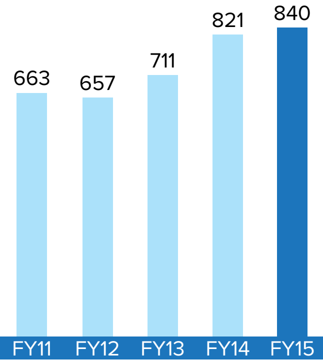
NOV 2015
- 2Q FY2016 Financial Results Announcement

FEB 2016
- 3Q FY2016 Financial Results Announcement

MAY 2016
- FY2016 Financial Results Announcement

** Subject to change. Please check www.boustead.sg/investor_centre for the latest updates.*

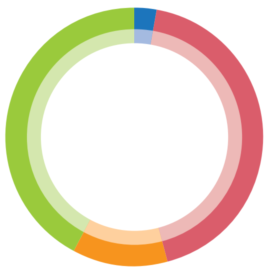
ENGINEERING THE WORLD OF THE FUTURE



Number of Employees

840

for FY2015



FY2015 Human Resources Deployment	
Group Headquarters	3%
Energy-Related Engineering	43%
Real Estate Solutions	12%
Geo-Spatial Technology	42%

A Global Corporation Driven by a Transnational Workforce

Headquartered in Singapore, Boustead maintains a global presence through our regional and local offices, and representatives in 20 countries across six continents. Embracing a multi-cultural and multi-faceted workforce, we have expanded our international reach to the farthest corners of the world. To date, we have undertaken infrastructure-related projects in 84 countries and are recognised among Singapore's most global corporations. This is exemplified by our inclusion in the Singapore International 100 in 2015, our sixth consecutive year on the list.

Sustainability in Quality, Health, Safety and Environment

At Boustead, our ongoing job is to maintain an accident-free workplace and safeguard the wellbeing of our employees. Our divisions are continuously training the workforce through the active execution of health, safety and environmental ("HSE") programmes and aiming to upkeep good safety records by developing relevant risk assessment capabilities. Good practices of reviewing safety policies and improving safety statistics also extend to work carried out by our appointed fabricators and subcontractors.

Boustead Projects Limited is one of only 10 bizSAFE Mentors in Singapore and achieved an accident frequency rate (AFR) of 0.22 incidents per million man-hours worked, lower than the national average of 1.70 for calendar year 2014. Boustead Projects Limited continues to actively engage and empower subcontractors and suppliers through the Workplace Safety & Health ("WSH") Advocate Programme and other implemented programmes to encourage and reward good safety behaviour. Boustead Projects Limited also provides onsite training seminars and educational workshops on a periodic basis, playing an active role in helping subcontractors to achieve bizSAFE accreditations, without which they would not be pre-qualified to work with Boustead Projects Limited.

To date, Boustead Projects Limited's efforts in productivity, quality and safety performance in the industry have been rewarded with it and its specific projects being recognised with 38 awards. In January 2015, Boustead Projects Limited was the recipient of the Green and Gracious Builder Award ("GGBA") with Merit under the Building & Construction Authority's ("BCA") certification scheme. The GGBA scheme recognises a builder's green and gracious practices in promoting sustainability, environmental protection and considerate practices during the construction phase of a development. At the recent BCA Awards 2015 held in May 2015, Boustead Projects Limited also received the Construction Productivity Award – Projects for applying high productivity methods to the design and construction of our new global headquarters, Edward Boustead Centre. Two projects, Seagate Singapore Design Center – The Shugart and Edward Boustead Centre, received the Green Mark Platinum Award, the highest rating that can be achieved by green eco-sustainable buildings. The attainment of the Green Mark Platinum Award for Edward Boustead Centre reaffirms our commitment to engineering a sustainable future and demonstrates our strong values in sustainability.

Separately, all of our major subsidiaries under the Energy-Related Engineering and Geo-Spatial Technology Divisions achieved zero accidents at their respective office premises or worksites. In addition, our largest subsidiary under the Energy-Related Engineering Division, Boustead International Heaters received certifications for ISO14001:2004 and OHSAS18001:2007 during FY2015, furthering its holistic commitment to HSE practices.

ENGINEERING THE WORLD OF THE FUTURE

QUALITY & SUSTAINABILITY AWARDS

Year	Award
2015	BCA Green and Gracious Builder Award (Merit) BCA Construction Productivity Award – Projects • Edward Boustead Centre Green Mark Platinum Award • Edward Boustead Centre • Seagate Singapore Design Center – The Shugart Green Mark Gold Plus Award • Greenpac Greenhub
2014	BCA Construction Excellence Award (Merit) • SDV Green Hub Green Mark Platinum Award • DB Schenker Shared Logistics Center 3 (Tampines LogisPark)
2013	Green Mark Gold Award • Greenpac Greenhub • Jabil Circuit • Kerry Logistics Centre • Satair Airbus Singapore Centre Leadership in Energy & Environmental Design (“LEED”) Gold Award • Kerry Logistics Centre • SDV Green Hub
2012	Green Mark Platinum Award • SDV Green Hub Green Mark Gold Award • XP Power Solar Pioneer Award • Greenpac Greenhub
2011	Green Mark Platinum Award • Rolls-Royce Wide Chord Fan Blade Manufacturing Facility • Rolls-Royce Seletar Assembly & Test Unit
2010	Green Mark Gold Award • IBM Singapore Technology Park • Sun Venture Investments @ 50 Scotts Road
2009	Green Mark Platinum Award • Applied Materials Building Green Mark Gold Plus Award • StarHub Green Solar Pioneer Award • Applied Materials Building

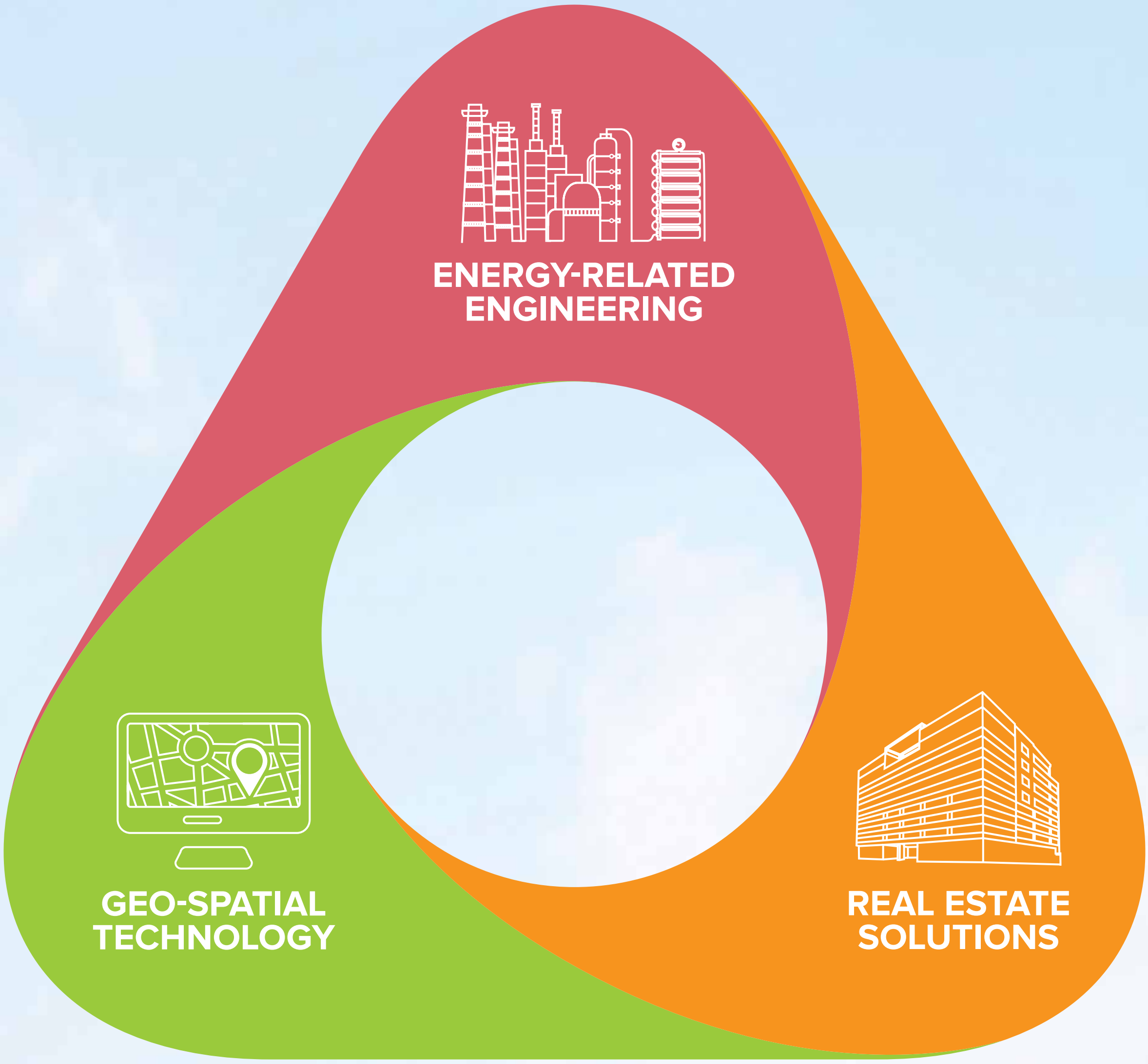
SAFETY AWARDS

Year	Award
2012	Boustead Projects Limited awarded WSH Performance (Silver) Award Boustead Salcon Water Solutions achieved bizSAFE Star
2011	Boustead Projects Limited awarded WSH Performance (Silver) Award Boustead Projects Limited achieved bizSAFE Mentor
2010	Boustead Projects Limited awarded WSH Performance (Silver) Award Boustead Projects Limited awarded WSH Officer Award
2009	Boustead Projects Limited awarded WSH Performance (Silver) Award Boustead Projects Limited achieved bizSAFE Star
2008	Boustead Projects Limited achieved bizSAFE Partner

SAFETY & HEALTH AWARD RECOGNITION FOR PROJECTS (“SHARP”) AWARDS

Year	SHARP Award
2012	SDV Green Hub
2011	Rolls-Royce Wide Chord Fan Blade Manufacturing Facility
2010	Applied Materials Building IBM Singapore Technology Park Singapore Aero Engine Services The Singapore FreePort
2009	StarHub Green

ENVIRONMENTAL SUSTAINABILITY



ENERGY-RELATED ENGINEERING

Process Heater Systems

Key large-scale process systems utilised to produce LNG, gas-to-liquids (GTL) and hydrogen for creation of cleaner transportation fuels

Waste Heat Recovery Units

Key large-scale process systems utilised to recover and recycle waste heat, waste gas and flue gas back into oil & gas production and refining processes for energy efficiency and pollution reduction

Process Control Systems and Emergency/Safety Shutdown Systems

Key process control and safety systems utilised to safely control and shutdown oil & gas production processes and protect people, infrastructure and environment under normal operations and emergencies

Seawater Desalination, Ion Exchange and Wastewater Recycling Plants

Key treatment plants utilised to produce pure and ultra-pure water for industrial processes, potable water and recycled water to ensure water sustainability

REAL ESTATE SOLUTIONS

Green Industrial Buildings

Green buildings with environmentally sustainable features and technologies under BCA's Green Mark Programme or U.S. Green Building Council's LEED Programme

GEO-SPATIAL TECHNOLOGY

Geographic Information Systems and Geo-Spatial Solutions

Key specialised geographic information systems and big data mapping analytic tools utilised to plan and manage limited resources including assets, geographical information, human resources, infrastructure and natural resources in most effective and efficient manner

CORPORATE INFORMATION

DIRECTORS

Wong Fong Fui
Chairman & Group Chief Executive Officer

Loh Kai Keong
Executive Director & Group Chief Financial Officer

Wong Yu Loon
Executive Director

Chong Ngien Cheong
Independent Non-Executive Director

Godfrey Ernest Scotchbrook
Independent Non-Executive Director

Goh Boon Seong
Independent Non-Executive Director

AUDIT & RISK COMMITTEE

Goh Boon Seong
Chairman

Chong Ngien Cheong

Godfrey Ernest Scotchbrook

NOMINATING COMMITTEE

Chong Ngien Cheong
Chairman

Goh Boon Seong

Wong Fong Fui

REMUNERATION COMMITTEE

Godfrey Ernest Scotchbrook
Chairman

Chong Ngien Cheong

Goh Boon Seong

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place, #32-01
Singapore Land Tower
Singapore 048623

AUDITORS

PricewaterhouseCoopers LLP
8 Cross Street, #17-00
PWC Building
Singapore 048424

Audit Partner: **Yee Chen Fah**
(Date of appointment: 26 July 2013)

PRINCIPAL BANKERS

United Overseas Bank Limited

DBS Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

Malayan Banking Berhad

Australia and New Zealand Banking Group Limited

CIMB Bank Berhad

PLACE OF INCORPORATION

Singapore

DATE OF INCORPORATION

18 June 1975

COMPANY SECRETARY

Alvin Kok

COMPANY REGISTRATION

197501036K

REGISTERED OFFICE

Boustead Singapore Limited
82 Ubi Avenue 4, #08-01
Edward Boustead Centre
Singapore 408832

STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

CONTENTS

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

The directors present their report to the members together with the audited financial statements of the Group for the financial year ended 31 March 2015 and the statement of financial position of the Company as at 31 March 2015.

DIRECTORS

The directors of the Company in office at the date of this report are as follows:

Wong Fong Fui (Chairman, Group Chief Executive Officer)
Loh Kai Keong
Wong Yu Loon
Chong Ngien Cheong
Godfrey Ernest Scotchbrook
Goh Boon Seong

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than as disclosed under "Share options" and "Share awards" in this report.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	At 31.3.2015	**At 31.3.2014**	**At 31.3.2015**	**At 31.3.2014**
The Company – Boustead Singapore Limited		**(No. of ordinary shares)**		
Wong Fong Fui	**-**	-	**175,634,448**	173,439,018
Loh Kai Keong	**610,633**	603,001	**-**	-
Chong Ngien Cheong	**400,000**	400,000	**23,376,203**	23,084,000
Godfrey Ernest Scotchbrook	**-**	-	**1,052,783**	1,039,683
John Lim Kok Min (resigned on 29 April 2015)	**564,322**	557,268	**-**	-

By virtue of Section 7 of the Singapore Companies Act, Mr Wong Fong Fui is deemed to have an interest in all the related corporations of the Company.

The directors' interests in the ordinary shares of the Company as at 21 April 2015 were the same as those as at 31 March 2015.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report, and except that certain directors receive remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

SHARE OPTIONS

(a) The Boustead Share Option Scheme 2001 (the "2001 Scheme") was approved by the members of the Company at its Extraordinary General Meeting on 30 August 2001. Under the 2001 Scheme, all deserving Key Persons and non-executive directors of the Company are eligible to participate in the 2001 Scheme at the discretion of a committee duly authorised by the Board of Directors. The committee administering the 2001 Scheme comprises three members, all of whom are non-executive directors. "Key Persons" mean full-time confirmed personnel within the Boustead Group (including Executive Directors, directors of the Company's subsidiaries and employees seconded to any associated companies or any other Company in which the Boustead Group holds shares) and, on a selective basis, employees of associated companies. Controlling shareholders and their associated companies are not eligible to participate in the 2001 Scheme.

(b) The terms of the 2001 Scheme are disclosed in Note 32 to the financial statements.

(c) Under the 2001 Scheme, share options exercised during the financial year and outstanding as at 31 March 2015 were as follows:

Date of grant	Balance at 1 April 2014	Granted	Exercised	Lapsed	Balance at 31 March 2015	Subscription price	Exercisable period
						$	
12 May 2009	60,000	-	(60,000)	-	-	0.600	12 May 2010 to 11 May 2019

(d) During the financial year, no option was granted to take up unissued ordinary shares of the Company or the subsidiaries and no ordinary shares of the subsidiaries were issued by virtue of the exercise of an option to take up unissued ordinary shares.

(e) As at 31 March 2015, there were no unissued shares of the subsidiaries under option.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

SHARE OPTIONS (cont'd)

(f) The members of the committee administering the 2001 Scheme are:

Godfrey Ernest Scotchbrook (Chairman)
Chong Ngien Cheong
Goh Boon Seong

The members of the committee are eligible to participate in the 2001 Scheme. Any director participating in the 2001 Scheme who is a member of the committee will not be involved in the committee's deliberations in respect of any option granted or to be granted to him.

The details of share options granted pursuant to the 2001 Scheme are as follows:

Name of participant	Options granted during the year	Aggregate options granted since commencement to end of year	Aggregate options exercised since commencement to end of year	Aggregate options lapsed or cancelled since commencement to end of year	Aggregate options outstanding as at end of year
Directors of the Company					
Loh Kai Keong	-	425,976 [1]	425,976	-	-
	-	672,000 [2]	672,000	-	-
	-	160,000 [4]	160,000	-	-
	-	1,257,976	1,257,976	-	-
Chong Ngien Cheong	-	400,000 [3]	400,000	-	-
Godfrey Ernest Scotchbrook	-	400,000 [3]	400,000	-	-
	-	2,057,976	2,057,976	-	-
Former directors of the Company	-	6,535,872	6,535,872	-	-
Employees of the Company and its subsidiaries	-	24,550,600	18,796,872	5,753,728	-
	-	33,144,448	27,390,720	5,753,728	-

(1) Replacement options granted on 3 September 2001 substituting the same number of options granted under the Boustead Executives' Share Option Scheme 1997 (the "1997 Scheme"). The 1997 Scheme was replaced with the 2001 Scheme. Subscription price per share is $0.205. These replacement options may be exercised between 10 June 2000 and 9 June 2009.

(2) Non-discounted options granted on 4 January 2002. Subscription price per share is $0.165. These options may be exercised between 4 January 2003 and 3 January 2012.

(3) Non-discounted options granted on 4 January 2002. Subscription price per share is $0.165. These options may be exercised between 4 January 2003 and 3 January 2007.

(4) Non-discounted options granted on 12 May 2009. Subscription price per share is $0.600. These options may be exercised between 12 May 2010 and 11 May 2019.

There were no participants who received 5% or more of the total number of options available under the 2001 Scheme. During the financial year, no options have been granted to controlling shareholders of the Company and their associated companies. There were no options granted at a discount during the financial year. No person to whom the options have been granted has any right to participate by virtue of the option in any share issue of any other company. On 30 August 2011, the 2001 Scheme expired and is replaced by the Boustead Restricted Share Plan 2011 on 13 October 2011 as detailed in the "Share awards" section on the next page.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

SHARE AWARDS

(a) The Boustead Restricted Share Plan 2011 (the "2011 Share Plan") was approved by the members of the Company at its Extraordinary General Meeting on 13 October 2011. The 2011 Share Plan replaces the Boustead Share Option Scheme 2001 which expired on 30 August 2011. Under the 2011 Share Plan, all deserving executive employees and non-executive directors of the Company as well as associated companies of controlling shareholders separately approved by independent members of the Company are eligible to participate in the 2011 Share Plan at the discretion of a committee duly authorised by the Board of Directors.

(b) The committee administering the 2011 Share Plan comprises three members, all of whom are non-executive directors. "Executive employees" mean confirmed employees of (i) a group company, fulfilling an executive role (including any executive director, but excluding Mr Wong Fong Fui, the Chairman & Group Chief Executive Officer of the Company) or (ii) an associated company, fulfilling an executive role, selected by the committee.

(c) Details of the 2011 Share Plan are disclosed in Note 32 to the financial statements.

(d) The members of the committee administering the 2011 Share Plan are:

Godfrey Ernest Scotchbrook (Chairman)
Chong Ngien Cheong
Goh Boon Seong

The members of the committee are eligible to participate in the 2011 Share Plan. Any director participating in 2011 Share Plan who is a member of the committee will not be involved in the committee's deliberations in respect of any share award granted or to be granted to him.

(e) The details of share awards granted and vested pursuant to the 2011 Share Plan are as follows:

Date of grant	Balance at 1 April 2014	Share awards granted	Share awards vested	Balance at 31 March 2015
10 September 2012	496,908	-	(116,918)	379,990
9 November 2012	38,973	-	(9,170)	29,803
23 January 2013	38,973	-	(9,170)	29,803
29 July 2013	64,955	-	(15,284)	49,671
7 July 2014	-	398,669	(59,800)	338,869
29 July 2014	-	44,297	(6,645)	37,652
	639,809	442,966	(216,987)	865,788

Name of participant	Number of shares comprised in awards granted during the year	Aggregate number of shares comprised in awards since commencement of the 2011 Share Plan to end of year	Aggregate number of shares comprised in awards vested since commencement of the 2011 Share Plan to end of year	Aggregate number of shares comprised in awards outstanding as at end of year
Associate of Controlling Shareholder of the Company				
Wong Yu Wei	44,297	120,715	(33,392)	87,323
Employees of the Company's subsidiary	398,669	1,074,971	(296,506)	778,465
	442,966	1,195,686	(329,898)	865,788

There were no participants who received 5% or more of the total number of shares available under the 2011 Share Plan. Save as disclosed above, no awards have been granted to directors of the Company or controlling shareholders and their associates since the commencement of the 2011 Share Plan to the end of the financial year.

DIRECTORS' REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

AUDIT COMMITTEE

At the date of this report, the Audit Committee comprises the following members, all of whom are independent non-executive directors:

Goh Boon Seong (Chairman)
Chong Ngien Cheong
Godfrey Ernest Scotchbrook

The Audit Committee met 4 times during the year under review. The Audit Committee has reviewed the following:

(a) the audit plan of the external auditors and internal auditors and result of the internal auditors' examination and evaluation of the Group's system of internal accounting and operational controls;

(b) the Group's financial and operating results and accounting policies;

(c) the consolidated financial statements of the Group and the statement of financial position of the Company before their submission to the directors of the Company and the external auditors' report on those financial statements;

(d) the quarterly and full-year announcements on the consolidated financial statement of the Group and financial position of the Company;

(e) the co-operation and assistance given by the management to the external auditors of the Company; and

(f) the independence and appointment/re-appointment of the external auditors of the Company.

The Audit Committee has full access to and has the co-operation of management. It has been given the resources required for it to discharge its function properly. The Audit Committee also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

The external auditors annually carry out their statutory audits in accordance with the scope as laid out in their audit plans. Control observations noted during their audits and the auditors' recommendations are reported to the Audit Committee. The internal auditors follow up on the recommendations as part of their role in the review of the Group's internal control systems.

INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Wong Fong Fui
Director

Loh Kai Keong
Director

Singapore
30 June 2015

CORPORATE GOVERNANCE

The Board of Directors of Boustead Singapore Limited (the "Board") is committed to maintaining a high standard of corporate governance within the Group, in line with the principles set out in the Code of Corporate Governance 2012 (the "Code"). This establishes and maintains a legal and ethical environment in the Group to preserve the interests of all shareholders and stakeholders.

This report describes the Company's corporate governance practices primarily with references to the principles of the Code. Where there are deviations from the Code, appropriate explanations are provided.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Board is responsible for the overall management of the Company. It approves the Group's strategic plans, key business initiatives, major investments and funding decisions. Additionally, the Board has direct responsibility for decision-making in respect of the following corporate events and actions:-

- approval for the release of quarterly and full-year results announcements;
- approval of the annual report and accounts;
- convening of shareholders' meetings;
- recommendations of dividend payments and other distributions to shareholders;
- approval of corporate strategies;
- approval of the Group's annual operating and capital budgets;
- approval of material acquisition and disposal of assets; and
- approval of the Group's risk appetite and internal controls.

Additionally, independent directors of the Board deal with conflict of interest issues relating to directors and substantial shareholders and matters which require the Board's approval pursuant to the provisions of the Listing Manual of the SGX-ST or applicable laws and regulations.

To facilitate effective management, certain functions of the Board have been delegated by the Board to various Board Committees. The Board is assisted by the Audit Committee, the Nominating Committee and the Remuneration Committee, each of which has its own terms of reference.

The majority of the current members of the Board has been directors of the Company for at least five years and is familiar with its business operations and governance practices. Newly appointed directors are given comprehensive briefings by management. All non-executive directors are welcome to request for additional explanations, briefings and informal discussions on any aspect of the Group's operations or business issues at all times.

The Company provides members of the Board with updates on board processes, governance practices and changes to laws and regulations that have a bearing either on the Group or on an individual director. Directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group or themselves and to attend appropriate training courses at the Company's expense.

A formal letter is provided to each director, upon his appointment, setting out the director's duties and obligations.

CORPORATE GOVERNANCE

The Board conducts scheduled meetings on a regular basis. Where necessary, additional Board meetings are also held to address significant transactions or issues that arise. A total of five formal Board meetings, four formal Audit & Risk Committee meetings, one formal Nominating Committee meeting and one formal Remuneration Committee meeting were held in the course of the year under review. Further to these, Board and Audit & Risk Committee members also held several informal discussions on various issues relating to corporate strategy and risk management. The attendance of the directors at Board and Board committees meetings during the year under review were as follows:-

	Board		Audit & Risk Committee		Nominating Committee		Remuneration Committee	
Name of Director	**No. Held**	**No. Attended**	**No. Held**	**No. Attended**	**No. Held**	**No. Attended**	**No. Held**	**No. Attended**
Wong Fong Fui	5	5	-	-	1	1	-	-
Loh Kai Keong	5	5	-	-	-	-	-	-
Wong Yu Loon	5	4	-	-	-	-	-	-
John Lim Kok Min [(1)]	5	5	4	4	1	1	1	1
Chong Ngien Cheong	5	5	4	4	1	1	1	1
Godfrey Ernest Scotchbrook	5	5	4	4	-	-	1	1
Goh Boon Seong [(2)]	5	5	-	-	-	-	1	1
Sri Widati Ernawan Putri [(3)]	5	-	-	-	-	-	-	-

(1) Mr John Lim Kok Min resigned as a director on 29 April 2015.

(2) Mr Goh Boon Seong was appointed Chairman of the Audit & Risk Committee and member of the Nominating Committee on 29 April 2015.

(3) Ms Sri Widati Ernawan Putri resigned as a director on 26 September 2014.

Principle 2: Board Composition and Guidance

Presently, the Board comprises six directors, three of whom are independent directors. The Board is of the view that the current board size is appropriate, taking into account the nature and scope of the Company's operations. The Board is also able to exercise objective judgement on corporate affairs independently, in particular, from the management of the Company.

The Board members as at the date of this report are:

Wong Fong Fui (Chairman and Group Chief Executive Officer)
Loh Kai Keong (Executive Director and Group Chief Financial Officer)
Wong Yu Loon (Executive Director)
Chong Ngien Cheong (Independent Non-Executive Director)
Godfrey Ernest Scotchbrook (Independent Non-Executive Director)
Goh Boon Seong (Independent Non-Executive Director)

Non-executive directors constructively challenge and help develop proposals on strategy. They also review the performance of management in meeting agreed goals and monitor the reporting of performance. To facilitate a more effective check on management, non-executive directors also meet at least once a year without the presence of management.

The Nominating Committee has reviewed the independence of each director in accordance with the Code's definition of independence and is satisfied that more than one-third of the Board continues to be independent directors. The Board comprises directors capable of exercising objective judgement on corporate affairs of the Company, independent of management.

Each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook has been an independent director of the Board for more than nine years. The Board, with the concurrence of the Nominating Committee, has rigorously reviewed the independence of each of them and is satisfied that each of them is independent in character and judgment, and found no evidence to indicate that the length of their respective service has in any way affected their respective independence. Given their respective wealth of business, working experience and professionalism in carrying out their duties, the Nominating Committee has found each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook suitable to act as independent directors. The Board has accepted the Nominating Committee's recommendation that each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook be considered independent. Each of Mr Chong Ngien Cheong and Mr Godfrey Ernest Scotchbrook has abstained from deliberating on their respective independence and their nomination.

CORPORATE GOVERNANCE

The Nominating Committee is of the view that the current Board comprises directors with a wide range of skills, experience and expertise in operations, management, strategic planning and accounting and finance, who collectively ensure that the Board is equipped to deal with a wide range of issues to meet the Company's objectives. Also, no individual or group of individuals dominate the Board's decision-making.

Principle 3: Chairman and Chief Executive Officer

The Chairman of the Company, Mr Wong Fong Fui, is also the Group Chief Executive Officer ("CEO").

As Chairman, he is responsible for the workings of the Board, ensuring that Board meetings are held when necessary and sets the Board meeting agenda in consultation with the other executive directors. He also reviews board papers before they are presented to the Board and ensures that information provided to Board members is adequate. During Board meetings, he ensures that Board members engage in constructive debate on strategic issues and business planning.

In his role as CEO, Mr Wong is the most senior executive in the Company and holds executive responsibility for the Company's business. He is assisted by Executive Director and Group Chief Financial Officer, Mr Loh Kai Keong, in the management of day-to-day operations. Mr Loh is not related to Mr Wong. In addition to that, half of the Board is made up of independent directors and the various Board committees are chaired by and comprise a majority of independent directors. The Board has consistently demonstrated it is able to exercise independent decision-making. Because of this, the Board has not appointed a lead independent director to date. Notwithstanding this, it may appoint one in the interest of embracing recommended best practices. The Board is of the opinion that the role of Mr Wong as both the Chairman and CEO of the Company does not affect the independence of the Board.

Principle 4: Board Membership

Nominating Committee

The Nominating Committee comprises three directors, two of whom are independent. The members of the Nominating Committee as at the date of this report are:

Chong Ngien Cheong, Chairman (Independent Non-Executive Director)
Goh Boon Seong (Independent Non-Executive Director)
Wong Fong Fui

The Nominating Committee serves to provide a formal, transparent and objective procedure for appointing Board members and evaluating each Board member's performance. The principal functions of the Nominating Committee include:-

- reviewing regularly the composition of the Board and Board committees;
- reviewing the Board's succession plans for directors, in particular, the Chairman and the CEO;
- reviewing the background, academic and professional qualifications and experience of nominees;
- ensuring that directors submit themselves for re-nomination and re-election at least once every three years;
- determining the independence of directors annually;
- where a director has multiple board representations, deciding whether the director is able to carry out and has been adequate in carrying out his duties as a director; and
- evaluating the performance and effectiveness of the Board as a whole.

New directors are appointed by the Board after the Nominating Committee recommends their appointment. When the need for a new director arises, the Nominating Committee will review the expertise, skills and attributes of the Board, identify its needs and shortlist candidates with the appropriate profiles for nomination. The search may be through search companies, contacts and recommendations.

CORPORATE GOVERNANCE

The dates of initial appointment and last re-election of each of the directors, together with their directorships in other listed companies, are set out below:-

Name	Position	Date of Appointment	Date of Last Re-election	Current Directorships in Listed Companies	Past Directorships in Listed Companies (in last three years)
Wong Fong Fui	Chairman and Group Chief Executive Officer	15 April 1996	25 July 2014	-	-
Loh Kai Keong	Executive Director and Group Chief Financial Officer	1 February 2005	25 July 2014	-	-
Wong Yu Loon	Executive Director	2 April 2013	26 July 2013	-	OM Holdings Limited
Chong Ngien Cheong	Independent Non-Executive Director	23 May 1996	26 July 2013	-	-
Godfrey Ernest Scotchbrook	Independent Non-Executive Director	21 September 2000	25 July 2014	Del Monte Pacific Limited	-
Goh Boon Seong	Independent Non-Executive Director	11 January 2012	30 July 2012	GP Batteries International Limited	-

One-third of directors who are longest-serving (other than the Managing Director or a director holding an equivalent position) are required to retire from office every year at the Annual General Meeting. Based on such a rotation process, each director is required to submit himself or herself for re-election by shareholders at least once every three years.

Where an existing director is required to retire from office, the Nominating Committee reviews the composition of the Board and takes into account factors such as that existing director's attendance, participation, contribution and competing time commitments when deciding whether to recommend that director for re-election.

Mr Chong Ngien Cheong and Mr Goh Boon Seong shall be retiring by rotation at the Annual General Meeting to be held on 30 July 2015 ("2015 AGM"). At the recommendation of the Nominating Committee, they will be seeking re-election at the 2015 AGM.

In addition, as Mr Wong Fong Fui is over the age of 70 years, he is required under Section 153 of the Companies Act to step down at the 2015 AGM. At the recommendation of the Nominating Committee, Mr Wong Fong Fui will be seeking shareholders' approval for re-appointment as director at the 2015 AGM.

CORPORATE GOVERNANCE

Principle 5: Board Performance

The Nominating Committee reviews on an annual basis the composition and skills set of the Board to determine whether it is adequate and appropriate having regard to the nature and scope of the Company's operations and the costs involved.

The Nominating Committee assesses and makes recommendations to the Board as to whether retiring directors are suitable for re-election. It also carries out an annual evaluation of the Board with the aim of assessing how well the Board, its committees, the directors and the Chairman are performing.

Principle 6: Access to Information

Management is required to provide adequate and timely information to the Board on Group affairs and issues that require the Board's decision as well as ongoing reports relating to the operational and financial performance of the group. Where a physical Board meeting is not possible, timely communication with members of the Board is effected through other means, e.g. electronic mail and teleconferencing. Alternatively, management will arrange to personally meet and brief each director before seeking the Board's approval on a particular issue. Any requests by directors for further explanation, briefings or informal discussions on any aspect of the Group's operations are always facilitated expeditiously.

The Board has separate and independent access to the management team and the company secretary, as well as to all Board and Board committee minutes, resolutions and information papers. The Board and its independent directors may take independent advice as and when necessary to enable it or the independent directors to discharge their responsibilities effectively.

The company secretary attends all Board meetings and is responsible for ensuring that Board procedures are followed. The company secretary, together with other management staff, is responsible for ensuring that the Company complies with applicable requirements, rules and regulations.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies
Principle 8: Level and Mix of Remuneration
Principle 9: Disclosure on Remuneration

The Remuneration Committee comprises entirely of non-executive directors, all of whom are also independent. The members of the Remuneration Committee as at the date of this report are:

Godfrey Ernest Scotchbrook, Chairman (Independent Non-Executive Director)
Chong Ngien Cheong (Independent Non-Executive Director)
Goh Boon Seong (Independent Non-Executive Director)

The objectives of the Remuneration Committee are to provide a formal, transparent and objective procedure for fixing the remuneration packages of individual directors and senior management staff, and to implement and administer the Boustead Restricted Share Plan 2011.

The Remuneration Committee reviews and approves recommendations on remuneration policies and packages to attract, retain and motivate directors and senior management to exert their best efforts to work towards the growth of the Group, the protection and promotion of the interests of all shareholders and the interests of improved corporate performance. The review of remuneration packages takes into consideration the long term interests of the Group and ensures that the interests of the directors and senior management are aligned with those of shareholders. The review covers all aspects of remuneration, including but not limited to, salaries, fees, allowances, bonuses and benefits-in-kind. No member of the Remuneration Committee shall be involved in discussions concerning his own remuneration. The Committee's recommendations are submitted to the Board for endorsement.

The Remuneration Committee has not appointed any external remuneration consultant as at the date of this report.

The Remuneration Committee will determine the remuneration packages of the Chairman and the executive directors based on the performance of the Group and the individual director. Non-executive directors will be paid directors' fees determined by the full Board based on the contributions, effort, time spent and responsibilities of the individual director. The payment of fees to non-executive directors is subject to the approval of the Company at each Annual General Meeting.

CORPORATE GOVERNANCE

The remuneration of the directors and the top five key executives (executives who are not directors) in bands of S$250,000, are set out below:-

Remuneration of Directors for the year ended 31 March 2015

Name of Director	Salary	Bonus	Directors' Fee	Other Benefits	Total
S$1,250,000 to S$1,499,999					
Wong Fong Fui	21%	77%	-	2%	100%
S$250,000 to S$499,999					
Loh Kai Keong	62%	34%	-	4%	100%
Wong Yu Loon	62%	32%	-	6%	100%
Below S$250,000					
John Lim Kok Min [(1)]	-	-	100%	-	100%
Chong Ngien Cheong	-	-	100%	-	100%
Godfrey Ernest Scotchbrook	-	-	100%	-	100%
Goh Boon Seong	-	-	100%	-	100%
Sri Widati Ernawan Putri [(2)]	-	-	-	-	-

(1) Mr John Lim Kok Min resigned as a director on 29 April 2015.

(2) Ms Sri Widati Ernawan Putri resigned as a director on 26 September 2014.

Remuneration of key executives for the year ended 31 March 2015

Name of Executive	Salary	Bonus	Fees	Other Benefits	Total
S$1,000,000 to S$1,249,999					
Thomas Chu Kok Hong	44%	49%	-	7%	100%
S$750,000 to S$999,999					
Brett John Bundock	56%	35%	-	9%	100%
David Miller	45%	54%	-	1%	100%
S$500,000 to S$749,999					
Wong Yu Wei	43%	48%	-	9%	100%
Steven Koh Boon Teik	43%	46%	-	11%	100%

Although the Code recommends the full disclosure of the remuneration of each individual director as well as the disclosure of the total remuneration paid to the top five key executives in aggregate, the Board believes that disclosure in such detail may be prejudicial to the business interest of the Group given the highly competitive environment it is operating in as well as competitive pressures in the talent market.

Two employees of the Group, Mr Wong Yu Loon and Mr Wong Yu Wei, who are sons of Mr Wong Fong Fui, Chairman and Group Chief Executive Officer, received remuneration exceeding S$50,000 for the year ended 31 March 2015. As details of their remuneration have been provided under the disclosure of the remuneration of directors and key executives above, the Board has decided not to further disclose their remuneration in incremental bands of S$50,000. Other than this, none of the directors had immediate family members who were employees of the Group and whose personal remuneration exceeded S$50,000 during the year.

The remuneration policy for staff adopted by the Group comprises a fixed component and a variable component. The fixed component is in the form of a base salary. The variable component is in the form of a variable performance bonus that is linked to corporate performance and individual performance and a long-term restricted share award scheme based on the achievement of additional specific key performance indicators.

CORPORATE GOVERNANCE

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

It is the aim of the Board to provide shareholders with a detailed analysis, explanation and assessment of the Group's financial position and prospects. The directors have access to senior management at all times. Management currently provides the Board with detailed management accounts of the Group's performance, financial position and prospects on a quarterly basis.

Principle 11: Risk Management and Internal Controls

The Board is responsible for ensuring that management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets, and to manage risks. The system is intended to provide reasonable but not absolute assurance against material misstatements or loss, and to safeguard assets and ensure maintenance of proper accounting records, reliability of financial information, compliance with relevant legislations, regulations and best practices, and the identification and containment of business risks. The effectiveness of the risk management and internal control systems and procedures is monitored and reviewed by the Audit & Risk Committee.

The Board, aided by the Audit & Risk Committee, regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as taking appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the Audit & Risk Committee and the Board. The financial risk management objectives and policies are outlined in the financial statements. Risk management alone does not guarantee that business undertakings will not fail. However, by identifying and managing risks that may arise, the Board is in a position to make more informed decisions and benefit from a better balance between risk and reward. This will assist in safeguarding and creating shareholder value.

The Audit & Risk Committee and the Board have received assurance from the Group Chief Executive Officer and the Group Chief Financial Officer that as of 31 March 2015:

(a) the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and

(b) the Group's risk management and internal control systems to address the key financial, operational and compliance risks affecting the operations are adequate to meet the needs of the Group in its current business environment.

Based on the internal controls established and maintained by the Group, the work performed by the external auditors and the reviews conducted by management and the Internal Audit Department, the Board, with the concurrence of the Audit & Risk Committee, is of the opinion that the Group's internal controls addressing financial, operational and compliance risks were adequate as at 31 March 2015.

CORPORATE GOVERNANCE

Principle 12: Audit & Risk Committee

The Audit & Risk Committee comprises entirely of non-executive directors, all of whom are also independent. The members of the Audit & Risk Committee as at the date of this report are:

Goh Boon Seong, Chairman (Independent Non-Executive Director)
Chong Ngien Cheong (Independent Non-Executive Director)
Godfrey Ernest Scotchbrook (Independent Non-Executive Director)

The principal functions of the Audit & Risk Committee include:-

- reviewing the audit plan of the external auditors and internal auditors and the results of the internal auditors' examination and evaluation of the Group's system of internal accounting and operational controls;
- reviewing the Group's financial and operating results and accounting policies;
- reviewing the consolidated financial statements of the Group and the statement of financial position of the Company before their submission to the directors of the Company and the external auditors' report on those financial statements;
- reviewing the quarterly and full-year announcements on the results and financial position of the Group and the Company;
- assessing the co-operation and assistance given by management to the external auditors of the Group;
- assessing the independence, objectivity and effectiveness of the external auditors of the Group and making recommendations to the Board on their appointment/re-appointment; and
- assessing and recommending to the Board the Group's risk appetite and reviewing the effectiveness of the Group's internal controls and risk management processes.

The Audit & Risk Committee has full access to and has the co-operation of management. It is given the resources required for it to discharge its function properly. The Audit & Risk Committee also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit & Risk Committee.

The Audit & Risk Committee meets at least once a year with the external auditors without the presence of management.

The Audit & Risk Committee has undertaken a review of the nature and value of non-audit services provided to the Group by the external auditors during the financial year and is satisfied that the independence of the external auditors has not been impaired by the provision of these services.

The Company has complied with Rule 712 and Rule 715 read together with Rule 716 of the Listing Manual of the SGX-ST in relation to its external auditors.

Whistle-blowing Policy

The Company has in place a whistle-blowing policy and arrangements by which staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting, fraudulent acts and other relevant matters. To ensure independent investigation of such matters and for appropriate follow up action, all whistle-blowing reports are sent to a committee comprising of the Chairman of the Audit & Risk Committee, the Vice-President - Group Human Resources and the Senior Vice-President - Internal Audit.

Principle 13: Internal Audit

The Internal Audit Department, headed by the Senior Vice-President - Internal Audit, identifies, analyses and manages the risks incurred by the Group in its activities and promotes continuous improvement to the Group's operations. As far as practicable, all major operating entities are closely examined at least once every year by the Internal Audit Department, which reports to the Chairman of the Audit & Risk Committee on any material non-compliance and internal control weaknesses.

The Audit & Risk Committee oversees and monitors the implementation of any improvements to the Group's internal controls and meets regularly with the Senior Vice-President - Internal Audit. To ensure the adequacy of the internal audit function, the Audit & Risk Committee reviews the internal audit scope of work on an annual basis. During the year, the Audit & Risk Committee appointed an independent firm to conduct a review of the work and capability and capacity of the Internal Audit Department.

CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14: Shareholder Rights
Principle 15: Communication with Shareholders
Principle 16: Conduct of Shareholder Meetings

The Board is mindful of its obligations to provide timely and fair disclosure of material information in accordance with the Corporate Disclosure Policy of the SGX-ST. The Board's policy is that all shareholders should be equally informed of all major developments that impact the Group in a timely manner. Annual reports, results and announcements of significant transactions are released on SGXNET and are also updated on a timely basis on the Company's website at www.boustead.sg.

A copy of the annual report, together with the Notice of Annual General Meeting ("AGM"), is sent to every shareholder. The Notice of AGM is also published in the press.

The Articles of Association of the Company allow each shareholder to appoint up to two proxies to attend and vote at general meetings on his/her behalf.

Separate resolutions are proposed on each substantially separate issue at the general meetings. All the resolutions at general meetings are in single item resolutions.

Shareholders are also given the opportunity to participate effectively and vote at general meetings, where relevant rules and procedures governing such meeting are clearly communicated.

Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed. The Board and senior management are present at each general meeting to respond to any questions from shareholders. The Group's external auditors are also present to address queries regarding the conduct of the audit and the preparation and content of the auditors' report.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business condition, development plans and other factors as the directors may deem appropriate. Notwithstanding this, the Company has been declaring dividends on a half-yearly basis.

DEALINGS IN SECURITIES

All directors and officers of the Company and the Group are not allowed to deal in the Company's shares whilst in possession of unpublished price sensitive information.

In the course of doing business for the Company and the Group or in discussions with one of customers, vendors, or partners, directors and officers of the Company and the Group may become aware of material non-public information about that organisation. Information is considered material if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to trade in the public securities of the Company. The discussion of this information is on a limited, "need to know" basis internally, and is not shared with anyone outside the Company or the Group. Directors and officers are not allowed to buy or sell the public securities of the affected organisations, including the Company, on the basis of such information, nor can this information be shared with others.

Dealing in the Company's shares is also prohibited during the period commencing two weeks before the announcement of the Group's results for each of the first three quarters of the financial year and during the period commencing one month before the announcement of the Group's annual results, and ending on the date of the relevant announcement.

MATERIAL CONTRACTS

Since the end of the previous financial year, no material contracts involving the interest of the chief executive officer, each director or controlling shareholder of the Company has been entered into by the Company or any of its subsidiaries, and no such contract subsisted as at 31 March 2015.

INTERESTED PERSON TRANSACTIONS

All transactions with interested persons must be at arm's length and reviewed by the Audit & Risk Committee.

For the financial year ended 31 March 2015, the Group did not enter into any transaction that would be regarded as an interested person transaction pursuant to the Listing Manual of the SGX-ST.

STATEMENT BY DIRECTORS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

In the opinion of the directors,

(a) the statement of financial position of the Company and the consolidated financial statements of the Group as set out on pages 74 to 157 are drawn up so as to give a true and fair view of the state of affairs of the Company and the Group as at 31 March 2015 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

Wong Fong Fui
Director

Loh Kai Keong
Director

Singapore
30 June 2015

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BOUSTEAD SINGAPORE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Boustead Singapore Limited (the "Company") and its subsidiaries (the "Group") set out on pages 74 to 157, which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 March 2015, and the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2015, and of the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore
30 June 2015

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 $'000	2014 $'000
Revenue	4	**556,405**	513,705
Cost of sales	7	**(370,220)**	(338,303)
Gross profit		**186,185**	175,402
Other income	5	**6,370**	4,724
Other gains and losses	6	**6,387**	7,701
Expenses			
- Selling and distribution	7	**(36,415)**	(35,902)
- Administrative	7	**(52,441)**	(43,445)
- Other operating expenses	7	**(17,697)**	(16,439)
- Finance	9	**(2,190)**	(832)
Share of loss of associated companies and joint ventures		**(1,218)**	(572)
Profit before income tax		**88,981**	90,637
Income tax expense	10	**(22,632)**	(16,591)
Total profit		**66,349**	74,046
Profit attributable to:			
Equity holders of the Company		**63,282**	70,685
Non-controlling interests		**3,067**	3,361
		66,349	74,046
Earnings per share for profit attributable to equity holders of the Company (cents per share)			
Basic earnings per share	11	**12.25**	13.87
Diluted earnings per share	11	**12.23**	13.86

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 $'000	2014 $'000
Total profit		**66,349**	74,046
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Available-for-sale financial assets			
- Fair value (losses)/gains	20, 33	**(1,009)**	8,409
- Reclassification to profit or loss on disposal	33	**(3,528)**	(4,214)
Currency translation differences arising from consolidation		**(2,814)**	(4,643)
Item that will not be reclassified subsequently to profit or loss:			
Actuarial losses	31	**(635)**	(1,236)
Other comprehensive loss, net of tax		**(7,986)**	(1,684)
Total comprehensive income		**58,363**	72,362
Total comprehensive income attributable to:			
Equity holders of the Company		**55,308**	69,921
Non-controlling interests		**3,055**	2,441
		58,363	72,362

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2015

	Note	Group 2015 $'000	Group 2014 $'000	Company 2015 $'000	Company 2014 $'000
ASSETS					
Current assets					
Cash and cash equivalents	12	**260,053**	219,341	**53,232**	57,850
Trade receivables	13	**115,489**	111,808	**-**	-
Other receivables and prepayments	14	**83,607**	47,362	**9,595**	11,160
Financial assets held for trading	15	**-**	4,320	**-**	4,320
Loans to subsidiaries	16	**-**	-	**37,182**	34,584
Inventories	17	**6,122**	5,315	**-**	-
Properties held for sale	18	**30,437**	30,368	**-**	-
Contracts work-in-progress	19	**74,587**	37,511	**-**	-
Available-for-sale financial assets	20	**4,070**	8,353	**24,548**	8,353
Foreign exchange contracts	30	**1,642**	38	**135**	38
		576,007	464,416	**124,692**	116,305
Non-current assets					
Trade receivables	13	**7,438**	9,183	**-**	-
Prepayments	14	**1,241**	1,221	**-**	-
Available-for-sale financial assets	20	**73,387**	69,392	**35,037**	51,435
Property, plant and equipment	21	**16,732**	17,025	**-**	-
Investment properties	22	**159,857**	108,962	**-**	-
Goodwill	23	**-**	1,322	**-**	-
Other intangible assets	23	**1,452**	2,420	**74**	74
Investments in associated companies	24	**3,761**	3,959	**2,667**	2,787
Investments in joint ventures	25	**10,728**	4,467	**-**	-
Investments in subsidiaries	26	**-**	-	**116,870**	124,880
Deferred income tax assets	27	**2,333**	2,734	**-**	-
		276,929	220,685	**154,648**	179,176
Total assets		**852,936**	685,101	**279,340**	295,481
LIABILITIES					
Current liabilities					
Trade and other payables	28	**237,559**	234,798	**6,877**	4,557
Income tax payable	10	**17,983**	14,723	**364**	-
Loans from subsidiaries	16	**-**	-	**162,409**	170,054
Contracts work-in-progress	19	**8,406**	6,323	**-**	-
Borrowings	29	**12,105**	6,727	**-**	809
Foreign exchange contracts	30	**833**	1,420	**833**	-
		276,886	263,991	**170,483**	175,420
Non-current liabilities					
Trade and other payables	28	**5,859**	7,390	**-**	-
Borrowings	29	**174,374**	46,740	**-**	-
Pension liability	31	**3,242**	3,094	**-**	-
Deferred income tax liabilities	27	**2,123**	2,186	**-**	-
		185,598	59,410	**-**	-
Total liabilities		**462,484**	323,401	**170,483**	175,420
NET ASSETS		**390,452**	361,700	**108,857**	120,061
EQUITY					
Capital and reserves attributable to equity holders of the Company					
Share capital	32	**101,324**	92,279	**101,324**	92,279
Treasury shares	32	**(10,263)**	(10,401)	**(10,263)**	(10,401)
Other reserves	33	**(21,264)**	(14,258)	**1,858**	6,268
Retained profits	34	**310,199**	284,728	**15,938**	31,915
		379,996	352,348	**108,857**	120,061
Non-controlling interests		**10,456**	9,352	**-**	-
Total equity		**390,452**	361,700	**108,857**	120,061

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

		← Attributable to equity holders of the Company →						
		Share capital	Treasury shares	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2015								
Beginning of financial year		**92,279**	**(10,401)**	**(14,258)**	**284,728**	**352,348**	**9,352**	**361,700**
Profit for the year		-	-	-	63,282	63,282	3,067	66,349
Other comprehensive loss for the year		-	-	(7,339)	(635)	(7,974)	(12)	(7,986)
Total comprehensive (loss)/income for the year		-	-	(7,339)	62,647	55,308	3,055	58,363
Employee share-based compensation								
- Value of employee services	33	-	-	482	-	482	-	482
- Issue of new shares	32, 33	204	-	(168)	-	36	-	36
- Treasury shares re-issued	32, 33	-	138	(138)	-	-	-	-
Dividends								
- In cash	35	-	-	-	(28,384)	(28,384)	(1,945)	(30,329)
- In scrip	35	-	-	-	(8,792)	(8,792)	-	(8,792)
Issue of new shares pursuant to scrip dividend scheme	32, 33	8,841	-	(49)	-	8,792	-	8,792
Disposal of subsidiaries		-	-	206	-	206	(6)	200
		9,045	138	333	(37,176)	(27,660)	(1,951)	(29,611)
End of financial year		**101,324**	**(10,263)**	**(21,264)**	**310,199**	**379,996**	**10,456**	**390,452**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

		← Attributable to equity holders of the Company →						
		Share capital	Treasury shares	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
	Note	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2014								
Beginning of financial year		74,021	(10,472)	(15,887)	253,206	300,868	11,458	312,326
Profit for the year		-	-	-	70,685	70,685	3,361	74,046
Other comprehensive income/(loss) for the year		-	-	472	(1,236)	(764)	(920)	(1,684)
Total comprehensive income for the year		-	-	472	69,449	69,921	2,441	72,362
Employee share-based compensation								
- Value of employee services	33	-	-	138	-	138	-	138
- Issue of new shares	32, 33	163	-	(44)	-	119	-	119
- Treasury shares re-issued	32, 33	-	71	(71)	-	-	-	-
Dividends								
- In cash	35	-	-	-	(18,776)	(18,776)	(4,751)	(23,527)
- In scrip	35	-	-	-	(19,151)	(19,151)	-	(19,151)
Issue of new shares pursuant to scrip dividend scheme	32, 33	18,095	-	1,056	-	19,151	-	19,151
Acquisition of subsidiary		-	-	-	-	-	112	112
Disposal of subsidiaries		-	-	78	-	78	92	170
		18,258	71	1,157	(37,927)	(18,441)	(4,547)	(22,988)
End of financial year		92,279	(10,401)	(14,258)	284,728	352,348	9,352	361,700

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	2015 $'000	2014 $'000
Cash flows from operating activities		
Profit before income tax	**88,981**	90,637
Adjustments for:		
- Share of loss of associated companies and joint ventures	**1,218**	572
- Depreciation expense	**7,827**	8,383
- Allowance for impairment of investment in an associated company	**120**	-
- Allowance for impairment of receivables, net	**752**	211
- Write-off of trade receivables	**31**	-
- Loss/(Gain) on disposal of property, plant and equipment	**15**	(56)
- Employee share-based compensation expense	**482**	138
- Gain on disposal of assets held for sale	**-**	(5,309)
- Gain on disposal of available-for-sale financial assets	**(3,528)**	(4,214)
- Loss on disposal of financial assets held for trading	**-**	336
- Loss on disposal of subsidiaries	**43**	1,495
- Fair value (gains)/losses on foreign exchange contracts and financial assets held for trading	**(2,190)**	1,215
- Impairment loss of goodwill	**1,363**	-
- Finance expenses	**2,190**	832
- Interest income	**(5,218)**	(3,431)
- Unrealised currency translation (gains)/losses	**(814)**	2,345
	91,272	93,154
Change in working capital, net of effects from acquisition and disposal of subsidiaries:		
- Receivables	**3,960**	11,987
- Inventories and contracts work-in-progress	**(36,272)**	1,659
- Payables	**366**	17,361
Cash generated from operations	**59,326**	124,161
Interest received	**5,218**	3,431
Interest paid	**(2,190)**	(832)
Income tax paid	**(19,029)**	(20,428)
Net cash provided by operating activities	**43,325**	106,332

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

	Note	2015 $'000	2014 $'000
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**64**	533
Proceeds from disposal of available-for-sale financial assets		**7,066**	15,709
Proceeds from disposal of financial assets held for trading		**4,321**	3,210
Purchase of property, plant and equipment		**(3,770)**	(2,844)
Purchase of other intangible assets		**-**	(867)
Purchase of available-for-sale financial assets		**(7,291)**	(48,050)
Purchase of financial assets held for trading		**-**	(2,809)
Additions to investment properties		**(54,880)**	(80,593)
Loan to an associated company		**-**	(12,150)
Proceeds from repayment of loan by an associated company		**7,487**	-
Loans to joint ventures		**(58,375)**	-
Proceeds from repayment of loan by a joint venture		**-**	6,267
Net cash inflow on disposal of assets held for sale		**-**	15,806
Net cash inflow on disposal of subsidiaries	12	**1,200**	396
Net cash inflow on disposal of a subsidiary retained as a joint venture from loan settlement		**-**	7,536
Net cash inflow on acquisition of subsidiaries		**-**	112
Net cash outflow on acquisition of an associated company		**-**	(1,348)
Net cash used in investing activities		**(104,178)**	(99,092)
Cash flows from financing activities			
Net proceeds from issuance of ordinary shares		**36**	163
Proceeds from short-term borrowings		**-**	809
Repayment of short-term borrowings		**(809)**	-
Proceeds from long-term borrowings		**141,084**	27,000
Repayment of long-term borrowings		**(6,760)**	(9,290)
Dividends paid to equity holders of the Company		**(28,384)**	(18,776)
Dividends paid to non-controlling interests		**(683)**	(5,586)
Net cash provided by/(used in) financing activities		**104,484**	(5,680)
Net increase in cash and cash equivalents		**43,631**	1,560
Cash and cash equivalents			
Beginning of financial year	12	**218,838**	223,721
Effects of currency translation on cash and cash equivalents		**(2,416)**	(6,443)
End of financial year	12	**260,053**	218,838

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Boustead Singapore Limited (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832.

The principal activity of the Company is that of an investment holding company. The principal activities of its more significant subsidiaries and a joint venture are set out in Note 26 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Interpretations and amendments to published standards effective in the financial year ended 31 March 2015

On 1 April 2014, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years except for the following:

FRS 112 *Disclosures of Interests in Other Entities*

The Group has adopted the above new FRS on 1 April 2014. The amendment is applicable for annual periods beginning on or after 1 January 2014. It sets out the required disclosures for entities reporting under the new FRS 110 *Consolidated Financial Statements* and FRS 111 *Joint Arrangements*, and replaces the disclosure requirements currently found in FRS 27 (revised 2011) *Separate Financial Statements* and FRS 28 (revised 2011) *Investments in Associates and Joint Ventures*.

The Group has applied FRS 112 retrospectively in accordance with the transitional provisions (as amended subsequent to the issuance of FRS 112 in September 2011) in FRS 112. The Group has incorporated the additional required disclosures into the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.1 Basis of preparation (cont'd)

Restatement of comparative figures

Significant reclassifications have been made to prior year's financial statements on lessee and lessor commitments disclosure to reflect the actual contractual amounts.

The effects of the adjustments are:

	2014 $'000	Adjustment $'000	2014 (restated) $'000
Note 36(b) – Group			
Operating lease commitments – where the Group is a lessee			
- Later than five years	140,831	5,258	146,089
Note 36(c) – Group			
Operating lease commitments – where the Group is a lessor			
- Not later than one year	28,210	(3,074)	25,136
- Between two and five years	121,299	(10,488)	110,811
- Later than five years	177,234	(25,649)	151,585

Restatements above do not have any impact to the net profit or loss, net assets and earnings per share as at 31 March 2015 and 2014. In addition, the restatements above do not have any impact on the statement of financial position of the Group as at 1 April 2013.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Revenue is presented, net of value-added tax, rebates and discounts, and after eliminating revenue within the Group.

The Group assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the proportion of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the statement of financial position unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

(b) Sale of goods and industrial properties

Revenue from the sale of goods and industrial properties is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods and industrial properties;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods and industrial leasehold properties sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.2 Revenue recognition (cont'd)

(c) Rendering of service

Revenue from rendering of services is recognised when the services are rendered.

(d) Maintenance

Revenue from maintenance contracts is deferred and recognised on a straight-line basis over the term of the relevant contracts.

(e) Interest income

Interest income, including income arising from financial instruments, is recognised using the effective interest method.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

(g) Rental income

Please refer to the paragraph "Leases" for the accounting policy for rental income.

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (b) fair values of the identifiable net assets acquired, is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill on acquisitions" for the subsequent accounting policy on goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associated companies, and joint ventures" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.3 Group accounting (cont'd)

(c) Associated companies and joint ventures

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%.

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less any impairment losses, if any.

(i) Acquisitions

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies and joint ventures represents the excess of the cost of acquisition of the associated company or joint venture over the Group's share of the fair value of the identifiable net assets of the associated company or joint venture and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' or joint ventures' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies or joint ventures are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company or joint venture equals to or exceeds its interest in the associated company or joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company or joint venture. If the associated company or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies or joint ventures are eliminated to the extent of the Group's interest in the associated companies or joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies or joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in associated companies or joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former associated company or joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries, associated companies, and joint ventures" for the accounting policy on investments in associated companies and joint ventures in the separate financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.4 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Freehold land is not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Buildings	50 years
Leasehold properties	30 – 50 years
Machinery and equipment	3 – 10 years
Furniture, office equipment and motor vehicles	2 – 10 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.5 Intangible assets

(a) Goodwill on acquisitions

Goodwill on acquisitions of subsidiaries and businesses on or after 1 January 2010 represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

Goodwill on acquisition of subsidiaries and businesses prior to 1 January 2010 and on acquisition of joint ventures and associated companies represents the excess of the cost of the acquisition over the fair value of the Group's share of the identifiable net assets acquired.

Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associated companies and joint ventures is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, associated companies and joint ventures include the carrying amount of goodwill relating to the entity sold.

(b) Acquired intellectual property rights and independent power producer rights

Intellectual property rights and independent power producer rights acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. Intellectual property rights are amortised to profit or loss using the straight-line method over 10 years, which is the shorter of their estimated useful lives and periods of contractual rights.

(c) Acquired trademarks

Trademarks acquired as part of a business combination are fair valued based on their intended use in accordance with FRS 38 *Intangible Assets* and the expected future economic benefit to be derived by the Group from continuing to generate future operating cash inflows from products and services associated with the acquired trademark. Where it is determined that the trademark will be continuously renewed for the foreseeable future, the trademark has been deemed to have an indefinite useful life and will be subject to impairment testing annually or more frequently if events or circumstances indicate that it might be impaired.

Costs associated with trademarks and trademarks renewals are expensed off when incurred.

(d) Acquired customer lists

Customer lists acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit of loss using the straight-line method over their estimated useful life of no more than two years.

The amortisation period and amortisation method of intangible assets other than goodwill and acquired trademarks are reviewed at least at each statement of financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.6 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of investment properties and properties held for sale. This includes those costs on borrowings acquired specifically for the construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the investment property.

2.7 Construction contracts

At the statement of financial position date, the cumulative costs incurred plus recognised profits (less recognised losses) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on construction contracts within "contracts work-in-progress". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within "contracts work-in-progress".

Progress billings not yet paid by customers and retention sum receivables from customers are included within "trade receivables". Advances received are included within "trade payables".

2.8 Investment properties

Investment properties are properties that are held for long-term rental yields and/or for capital appreciation. Investment properties include properties that are being constructed or developed for future use as investment properties.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes land cost, related acquisition expenses, construction costs and finance costs incurred during the period of construction. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their useful life of 12 to 30 years for leasehold building and 10 years for machinery and equipment. No depreciation is provided for investment properties under construction. The estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.9 Investments in subsidiaries, associated companies and joint ventures

Investments in subsidiaries, associated companies and joint ventures are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.10 Impairment of non-financial assets

(a) Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) Other intangible assets
Property, plant and equipment
Investment properties
Investments in subsidiaries, associated companies and joint ventures

Intangible assets, property, plant and equipment, investment properties and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to-maturity, re-evaluates this designation at each statement of financial position date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realised within 12 months after the statement of financial position date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the statement of financial position date which are presented as non-current assets. Loans and receivables are presented as "trade receivables", "other receivables and prepayments", "loan to subsidiaries", "contracts work-in-progress" and "cash and cash equivalents" on the statement of financial position.

(iii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the statement of financial position date.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.11 Financial assets (cont'd)

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity financial assets are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and the other changes are recognised in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(e) Impairment

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

(i) Loans and receivables/Held-to-maturity financial assets

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 2.11(e)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial asset is impaired.

If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost (net of any principal repayments and amortisation) and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.12 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.13 Properties held for sale

Properties held for sale are stated at the lower of cost (specific identification method) and net realisable value. Cost includes costs of construction and interests incurred during the period of construction. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2.14 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.15 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.16 Derivative financial instruments and hedging activities

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.17 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities) are based on quoted market prices at the statement of financial position date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions that are existing at each statement of financial position date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used.

The fair values of currency forwards are determined using actively quoted forward exchange rates.

The carrying amounts of current financial assets and liabilities carried at amortised cost approximate their fair values.

2.18 Leases

(a) When the Group is the lessee:

The Group leases land and office premises under operating leases.

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

(b) When the Group is the lessor:

The Group leases investment properties under operating leases.

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.19 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.20 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the statement of financial position date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

The effects of change in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.22 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Post-employment benefits

The Group operates both defined benefit and defined contribution post-employment benefit plans in accordance with local conditions and practices in the country in which it operates.

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

(ii) Defined benefit plans

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations. The actuarial valuations are obtained at least triennially and are updated at each statement of financial position date. The resulting defined benefit asset or liability is presented separately as other non-current liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

Past service costs are recognised immediately in profit or loss.

(b) Employee share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of share awards is recognised as an expense with a corresponding increase in the share-based compensation reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the share awards granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become vested on the vesting date. At each statement of financial position date, the Group revises its estimates of the number of shares under share awards that are expected to become vested on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based compensation reserve over the remaining vesting period.

When the share awards are vested, the proceeds received (net of transaction costs) and the related balance previously recognised in the share-based compensation reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

(c) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.23 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains and losses".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.25 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position.

2.26 Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes the consideration paid and any directly attributable transaction cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the costs of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained profits of the Company if the shares are purchased out of earnings of the Company.

When treasury shares are subsequently sold or reissued pursuant to an employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

2.27 Dividends to Company's shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Revenue recognition – construction contracts

The Group recognises revenue and costs from long-term contracts using the percentage-of-completion method determined by reference to the stage of completion of the contract activity at the end of each reporting period. A considerable amount of judgement is required in assessing the relationship of the value of work performed to date relative to the estimated total contract costs.

The key assumption that has a significant risk of causing a material adjustment to the amount of revenue and costs recognised on long-term contracts pertains to the percentage of completion of long-term contracts.

If the percentage-of-completion at the statement of financial position date had been higher/lower by 1% (2014: 1%) from management's estimates, the Group's revenue and gross profit would have been higher/lower by $3,907,000 (2014: $6,142,000) and $1,608,000 (2014: $1,094,000) respectively.

(b) Allowance for foreseeable losses on construction contracts

Judgement is exercised in determining foreseeable losses on construction contracts. In making such judgement, the Group evaluates by relying on past experience and cost estimates. A significant degree of estimation is required in assessing the cost estimates based on suppliers' quotation or engineers' estimates and taking into consideration the escalation of costs in the country in which the project takes place.

As at 31 March 2015, the contracts work-in-progress is a net asset comprising contract costs plus recognised profits in excess of progress billings and allowance for foreseeable losses amounting to $66,181,000 (2014: $31,188,000).

(c) Properties held for sale

Judgement is exercised in determining the classification of certain properties as held for sale. In making such judgement, management evaluated the specific purpose and intent relating to these properties, as well as the future plans of the Group. Management is of the view that these properties meet the criteria for classification as held for sale as at the statement of financial position date.

(d) Allowance for properties held for sale

In determining the net realisable value of the Group's properties held for sale, management estimated the recoverable amount of the properties held for sale based on most reliable evidence available at the time the estimates are made. These estimates take into consideration the fluctuations in prices, the condition of the properties held for sale and market evidence of transaction price for similar properties.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (cont'd)

(e) Provision for guarantees arising from political risks in Libya

During the financial year ended 31 March 2008, the Group through its joint venture[1], entered into a contract with a third party to construct a township in Libya. The Company's bank (the "Bank") provided an advance payment counter-guarantee and a performance counter-guarantee to a Libyan bank which then issued an advance payment and a performance guarantee to a third party. These advance payment guarantee and performance guarantee (and the respective counter-guarantees) were due to expire on 30 June 2011 and 28 July 2011 respectively.

[1] In 2012, the interest in the joint venture was diluted and management had assessed it to be an available-for-sale financial asset. As at 31 March 2015, the available-for-sale financial asset is measured at $Nil.

As a result of the civil unrest and armed conflict in Libya in early 2011, the Group had to pull out of the country as the township construction could not be continued.

In June 2011, the Libyan bank that issued the guarantees requested for an extension or liquidation of the guarantees. The Company has served notice to the third party invoking the force majeure clause of the contract and has obtained an interim injunction in the High Court of Singapore against the Bank from making payment of monies and renewing the counter-guarantees.

On 30 August 2012, the High Court ordered, inter alia, that the interim injunction granted in June 2011 be set aside. Pending the commencement of a fresh action against the Bank by the Company, the High Court then granted an interim injunction against the Bank to refrain it from making payment of monies under the Bank's counter-guarantees issued through it in favour of the Libyan bank and from renewing or extending the period of validity of the counter-guarantees until after the hearing of the fresh action or until further order.

On 3 September 2012, the Company commenced fresh action against the Bank for a declaration that the Company be discharged from all liabilities and obligations towards the Bank in relation to the Bank's counter-guarantees. At the same time, the Company had received a claim for payment of the sums under the counter-guarantees from the Bank. As the interim injunction is in place, no payment has been made to the Bank.

On 10 September 2012, the Company was notified that an event of default had occurred as the Company did not make payment pursuant to the claim received on 3 September 2012. Accordingly, the Bank filed a Writ of Summons and Statement of Claim against the Company for a combined sum of US$18.8 million and interest thereon, as well as costs on an indemnity or standard basis on 19 September 2012.

A judgement has been issued on 11 March 2015 by the High Court of the Republic of Singapore ("High Court") dismissing the Arab Banking Corporation's ("ABC") claim against the Company for US$18.8 million under the facility agreement. The High Court ordered, inter alia, that the ABC "is injuncted from receiving payment from the Company under the facility agreement Demand and is injuncted from making payment to Bank of Commerce and Development's ("BCD") counter-guarantees ("CG") Demands. This is because the facility agreement Demand was made fraudulently in the reckless sense, or alternatively, the circumstances are such that it would be unconscionable for the ABC to receive payment of monies from the Company, which will eventually be paid to the employer of the Al Marj Project. BCD made the CG Demands fraudulently in the reckless sense, and the ABC had knowledge of BCD's fraud at the relevant time."

On 10 April 2015, ABC had filed an appeal to the Singapore Court of Appeal against the decision of the High Court on 11 March 2015.

The Company has deliberated the issue of these counter-guarantees and, supported by appropriate professional advice, concluded that the Group has a good defence to the claim for reimbursement under the facilities agreement between the Company and the Bank, and the Group will continue to vigorously defend its position. Accordingly, no provision was made for these counter-guarantees and any related claims, including interest.

As at 31 March 2015, the Group's legal advisors have reconfirmed the strength of the Group's case.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

4. REVENUE

	Group	
	2015 $'000	**2014 $'000**
Contract revenue	**407,169**	376,079
Sale of goods	**41,154**	39,962
Rendering of services and maintenance	**81,467**	75,767
Property rental income	**26,506**	21,859
Dividend income	**109**	38
	556,405	513,705

5. OTHER INCOME

	Group	
	2015 $'000	**2014 $'000**
Interest income		
- Non-related parties	**4,631**	3,238
- An associated company	**445**	193
- A joint venture	**142**	-
	5,218	3,431
Other rental income	**1,152**	1,293
	6,370	4,724

6. OTHER GAINS AND LOSSES

	Group	
	2015 $'000	**2014 $'000**
Fair value gains/(losses) on foreign exchange contracts and financial assets held for trading	**2,190**	(1,215)
Gain on disposal of assets held for sale	**-**	5,309
Gain on disposal of available-for-sale financial assets	**3,528**	4,214
Loss on disposal of financial assets held for trading	**-**	(336)
Currency exchange gain – net	**712**	1,224
Loss on disposal of subsidiaries	**(43)**	(1,495)
	6,387	7,701

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

7. EXPENSES BY NATURE

	Group	
	2015 $'000	**2014 $'000**
Employee compensation (Note 8)	**81,230**	77,648
Engineering and project management expenses	**296,597**	269,930
Purchases of inventories and services	**62,280**	56,227
Depreciation expense (Notes 21 and 22)	**7,827**	8,383
Directors' fees	**284**	318
Allowance for impairment of trade receivables, net	**752**	211
Allowance for impairment of investment in an associated company	**120**	-
Write-off of trade receivables	**31**	-
Fees on audit services paid/payable to:		
- Auditor of the Company for statutory audit	**383**	349
- Auditor of the Company for other audit services	**207**	-
- Other auditors	**275**	224
Fees on non-audit services paid/payable to:		
- Auditor of the Company	**-**	19
- Other auditors	**131**	7
Impairment loss on goodwill	**1,363**	-
Legal and professional fees	**5,094**	3,569
Rental expense on operating leases	**8,189**	7,685
Property tax	**2,727**	2,183
Utility charges	**616**	621
Repair and maintenance expenses	**2,049**	1,908
Selling expenses	**4,949**	3,000
Loss/(Gain) on disposal of property, plant and equipment	**15**	(56)
Others	**1,654**	1,863
Total cost of sales, selling and distribution, administrative and other operating expenses	**476,773**	434,089

8. EMPLOYEE COMPENSATION

	Group	
	2015 $'000	**2014 $'000**
Wages and salaries	**74,926**	72,238
Employer's contribution to defined contribution plans including Central Provident Fund	**5,602**	5,048
Employee share-based compensation expense (Note 32)	**482**	138
Other benefits	**220**	224
	81,230	77,648

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

9. FINANCE EXPENSES

	Group	
	2015 $'000	2014 $'000
Interest expense	**2,190**	832

10. INCOME TAXES

(a) Income tax expense

	Group	
	2015 $'000	2014 $'000
Tax expense attributable to profit is made up of:		
- Profit for the financial year:		
Current income tax		
- Singapore	**11,473**	9,782
- Foreign	**12,327**	10,872
	23,800	20,654
Deferred income tax (Note 27)	**151**	73
	23,951	20,727
- (Over)/Under provision in prior financial years:		
Current income tax	**(1,348)**	(4,136)
Deferred income tax (Note 27)	**29**	-
	22,632	16,591

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2015 $'000	2014 $'000
Profit before tax	**88,981**	90,637
Share of loss of associated companies and joint ventures	**1,218**	572
Profit before tax and share of loss of associated companies and joint ventures	**90,199**	91,209
Tax calculated at tax rate of 17% (2014: 17%)	**15,334**	15,506
Effects of:		
- Singapore statutory tax exemption	**(566)**	(334)
- expenses not deductible for tax purposes	**1,693**	866
- different tax rates in other countries	**4,107**	4,362
- deferred income tax assets not recognised	**1,727**	706
- income not subject to tax	**(642)**	(1,773)
- tax incentives	**(80)**	(64)
- intra-group unrealised gains subject to tax	**2,809**	1,348
- over provision in prior financial years	**(1,319)**	(4,136)
- others	**(431)**	110
Tax charge	**22,632**	16,591

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

10. INCOME TAXES (cont'd)

(b) Movement in current income tax liabilities

	Group	
	2015 **$'000**	**2014** **$'000**
Beginning of financial year	**14,723**	18,896
Currency translation differences	**(163)**	(263)
Income tax paid	**(19,029)**	(20,428)
Tax expense	**23,800**	20,654
Over provision in prior financial years	**(1,348)**	(4,136)
End of financial year	**17,983**	14,723

11. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2015	**2014**
Profit attributable to equity holders of the Company ($'000)	**63,282**	70,685
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	**516,468**	509,443
Basic earnings per share (cents per share)	**12.25**	13.87

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares.

Dilutive potential ordinary shares arises from share options and share awards. The weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised and all dilutive share awards were vested. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for the financial year) for the same total proceeds is added to the denominator as the number of shares issued for no consideration. The number of shares that could have been issued upon the vesting of all dilutive share awards is added to the denominator as the number of share issued for no consideration. No adjustment is made to the net profit.

Diluted earnings per share attributable to equity holders of the Company is calculated as follows:

	2015	**2014**
Profit attributable to equity holders of the Company ($'000)	**63,282**	70,685
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	**517,334**	510,042
Diluted earnings per share (cents per share)	**12.23**	13.86

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

12. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Cash at bank and on hand	**118,511**	119,105	**19,923**	10,427
Short-term bank deposits	**141,542**	100,236	**33,309**	47,423
	260,053	219,341	**53,232**	57,850

Included in the cash and cash equivalents are allowance for cash held in Libya amounting to $1,110,000 (2014: $1,146,000). As a result of the civil unrest and armed conflict in Libya in 2011, management was of the view that the cash held in Libya might not be recoverable. Hence, full allowance had been made. During the year, an amount of $Nil (2014: $1,298,000) was written back as the amount was recovered.

Cash at bank belonging to a subsidiary of the Group amounting to $1,965,000 is held in the People's Republic of China and is subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2015 $'000	2014 $'000
Cash and bank balances (as above)	**260,053**	219,341
Less: Bank overdrafts (Note 29)	**-**	(503)
Cash and cash equivalent per consolidated statement of cash flows	**260,053**	218,838

Disposal of subsidiaries

The effects of the disposal of subsidiaries on the cash flows of the Group were:

	2015 $'000	2014 $'000
Cash and cash equivalents	**575**	281
Total other assets	**1,933**	1,824
Total liabilities	**(890)**	(25)
Foreign currency translation reserve	**206**	-
Non-controlling interest	**(6)**	92
Net assets disposed of	**1,818**	2,172
Loss on disposal (Note 6)	**(43)**	(1,495)
Cash proceeds from disposal	**1,775**	677
Net cash and cash equivalents disposed of	**(575)**	(281)
Net cash inflow on disposal of subsidiaries	**1,200**	396

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

13. TRADE RECEIVABLES

	Group	
	2015 $'000	**2014 $'000**
Current		
Trade receivables – non-related parties	**143,056**	138,390
Less: Allowance for impairment of receivables – non-related parties	**(27,567)**	(30,760)
	115,489	107,630
Trade receivables – joint venture	**-**	4,178
	115,489	111,808
Non-current		
Trade receivables – non-related parties	**7,438**	9,183
Total trade receivables	**122,927**	120,991

Included in the Group's trade receivables is retention sum receivables of $30,067,000 (2014: $18,400,000).

14. OTHER RECEIVABLES AND PREPAYMENTS

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Current				
Loans to:				
- An associated company	**4,032**	11,889	**-**	-
- A joint venture	**50,940**	-	**-**	-
	54,972	11,889	**-**	-
Other receivables:				
- Subsidiaries	**-**	-	**8,391**	6,058
- Associated companies	**1,996**	1,868	**-**	-
- A joint venture	**176**	-	**-**	-
- A non-related party	**3,090**	3,166	**-**	-
Less: Allowance for impairment of other receivables	**(4,590)**	(4,666)	**-**	-
	55,644	12,257	**8,391**	6,058
Sundry debtors	**10,634**	14,032	**1,204**	5,102
Tax recoverable	**1,236**	1,654	**-**	-
Deposits	**2,599**	5,233	**-**	-
Prepayments	**13,379**	14,118	**-**	-
Staff loans and advances	**115**	68	**-**	-
	83,607	47,362	**9,595**	11,160
Non-current				
Prepayments	**1,241**	1,221	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

14. OTHER RECEIVABLES AND PREPAYMENTS (cont'd)

The loan to an associated company is unsecured, bears interest at 4.11% (2014: Nil%) per annum and is repayable on demand.

The loan to a joint venture is unsecured, bears interest at 2.25% (2014: Nil%) per annum and is repayable on demand.

The non-trade amounts due from subsidiaries, associated companies and a joint venture are unsecured, interest-free and repayable on demand.

The Group has recognised allowance for impairment of receivables from a non-related party and an associated company amounting to $4,590,000 (2014: $3,166,000) and $Nil (2014: $1,500,000) respectively as management does not expect to recover the receivables from the non-related party and associated company. No allowance is recognised on the remaining other receivables as there has not been a significant change in credit quality and the amounts are still considered recoverable.

Movement in the allowance for impairment for other receivables:

	Group	
	2015 $'000	**2014 $'000**
Beginning of financial year	**4,666**	4,555
Currency translation differences	**(76)**	111
End of financial year	**4,590**	4,666

15. FINANCIAL ASSETS HELD FOR TRADING

	Group and Company	
	2015 $'000	**2014 $'000**
Credit-linked notes	**-**	1,515
Equity-linked notes	**-**	2,805
	-	4,320

Financial assets held for trading relate to credit-linked and equity-linked notes that present the Group and Company with opportunities for return through interest income and fair value gains.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

16. LOANS TO/FROM SUBSIDIARIES

	Company	
	2015 $'000	**2014 $'000**
Loans to subsidiaries		
- Non-interest bearing	**47,669**	45,410
- Interest bearing	**6,481**	971
	54,150	46,381
Less: Allowance for impairment of receivables	**(16,968)**	(11,797)
	37,182	34,584
Loans from subsidiaries		
- Non-interest bearing	**3,472**	4,304
- Interest bearing	**158,937**	165,750
	162,409	170,054

Loans to/from subsidiaries are unsecured and repayable on demand.

Interest bearing loans from subsidiaries bear effective interest at 0.48% (2014: 0.71%) per annum.

Movement in the allowance for impairment of loan to subsidiaries:

	Company	
	2015 $'000	**2014 $'000**
Beginning of financial year	**11,797**	11,911
Allowance made	**5,778**	4,738
Allowance written back	**(607)**	(4,852)
End of financial year	**16,968**	11,797

17. INVENTORIES

	Group	
	2015 $'000	**2014 $'000**
Raw materials	**3,843**	3,615
Finished goods	**2,279**	1,700
	6,122	5,315

The cost of inventories recognised as an expense and included in "cost of sales" amounted to $22,525,000 (2014: $23,056,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

18. PROPERTIES HELD FOR SALE

The Group has the following properties held for sale measured at lower of cost or net realisable value:

Location		Description/Area	Tenure
(1)	Singapore No. 12 Changi North Way	Industrial/ Gross floor: 23,881 sq metres	60 years from 16 January 2005
(2)	Singapore No. 16 Changi North Way	Industrial/ Gross floor: 11,320 sq metres	27 years 4 months from 1 September 2007 with an option to extend a further 30 years
(3)	Singapore No. 25 Changi North Rise	Industrial/ Gross floor: 7,014 sq metres	30 years from 1 February 2007
(4)	Singapore No. 85 Tuas South Avenue 1	Industrial/ Gross floor: 10,433 sq metres	30 years from 16 April 2007 with an option to extend a further 23 years
(5)	People's Republic of China No. 3 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial/ Gross floor: 4,663 sq metres	50 years from 26 June 2002
(6)	People's Republic of China No. 7 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial/ Gross floor: 6,038 sq metres	50 years from 26 June 2002
(7)	People's Republic of China No. 18 Xin Mei Road Plot 117, Wuxi New District Wuxi Jiangsu	Industrial/ Gross floor: 3,238 sq metres	50 years from 26 June 2002
(8)	People's Republic of China No. 2 Xinmao Street Tongzhou District Tongzhou Logistics Park Beijing (Disposed in financial year ended 31 March 2014)	Industrial/ Gross floor: 38,792 sq metres	50 years from 17 August 2008

As at 31 March 2015, properties held for sale amounting to $28,935,000 (2014: $19,951,000) are pledged to the banks for banking facilities (Note 29).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

19. CONTRACTS WORK-IN-PROGRESS

	Group	
	2015 **$'000**	**2014** **$'000**
Contracts work-in-progress:		
Amounts due from contract customers	**74,587**	37,511
Aggregate contract costs incurred and profits recognised to date	**345,914**	380,534
Less: Progress billings	**(264,558)**	(338,962)
Less: Allowance for foreseeable losses	**(6,769)**	(4,061)
	74,587	37,511
Contracts work-in-progress:		
Amounts due to contract customers	**8,406**	6,323
Progress billings	**122,065**	150,806
Less: Aggregate contract costs incurred and profits recognised to date	**(113,659)**	(144,483)
	8,406	6,323

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Group		Company	
	2015 **$'000**	**2014** **$'000**	**2015** **$'000**	**2014** **$'000**
Beginning of financial year	**77,745**	36,975	**59,788**	36,890
Currency translation differences	**496**	20	**581**	7
Additions	**7,291**	48,050	**7,291**	30,191
Fair value (losses)/gains recognised in other comprehensive income (Note 33)	**(1,009)**	8,409	**(1,009)**	8,409
Disposals	**(7,066)**	(15,709)	**(7,066)**	(15,709)
End of financial year	**77,457**	77,745	**59,585**	59,788
Less: Current portion	**(4,070)**	(8,353)	**(24,548)**	(8,353)
Non-current portion	**73,387**	69,392	**35,037**	51,435

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS (cont'd)

Available-for-sale financial assets are analysed as follows:

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Quoted securities				
- Equity shares, at fair value	**2,080**	8,810	**2,080**	8,810
- Debt securities, at fair value	**37,027**	30,500	**37,027**	30,500
Unquoted securities				
- Equity shares, at fair value	**38,350**	38,350	**20,478**	20,478
- Equity shares, at net recoverable value	**-**	85	**-**	-
Total	**77,457**	77,745	**59,585**	59,788
Less: Current portion	**(4,070)**	(8,353)	**(24,548)**	(8,353)
Non-current portion	**73,387**	69,392	**35,037**	51,435

21. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Building	Leasehold properties	Machinery and equipment	Furniture, office equipment and motor vehicles	Total
	$'000	$'000	$'000	$'000	$'000	$'000
<u>**Group**</u>						
2015						
Cost						
Beginning of financial year	**524**	**5,938**	**5,206**	**9,510**	**14,984**	**36,162**
Currency translation differences	**(15)**	**(165)**	**(348)**	**254**	**(367)**	**(641)**
Additions	**-**	**-**	**83**	**239**	**3,448**	**3,770**
Disposals	**-**	**-**	**(64)**	**(404)**	**(2,397)**	**(2,865)**
End of financial year	**509**	**5,773**	**4,877**	**9,599**	**15,668**	**36,426**
Accumulated depreciation						
Beginning of financial year	**-**	**584**	**2,883**	**4,649**	**11,021**	**19,137**
Currency translation differences	**-**	**(10)**	**(199)**	**36**	**(326)**	**(499)**
Depreciation charge	**-**	**118**	**392**	**1,376**	**1,956**	**3,842**
Disposals	**-**	**-**	**(64)**	**(404)**	**(2,318)**	**(2,786)**
End of financial year	**-**	**692**	**3,012**	**5,657**	**10,333**	**19,694**
Net book value						
End of financial year	**509**	**5,081**	**1,865**	**3,942**	**5,335**	**16,732**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

21. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land	Building	Leasehold properties	Machinery and equipment	Furniture, office equipment and motor vehicles	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
2014						
Cost						
Beginning of financial year	471	5,310	5,947	9,894	14,028	35,650
Currency translation differences	53	601	(627)	(457)	(665)	(1,095)
Additions	-	27	122	342	2,353	2,844
Disposals	-	-	(236)	(245)	(756)	(1,237)
Reclassification	-	-	-	(24)	24	-
End of financial year	524	5,938	5,206	9,510	14,984	36,162
Accumulated depreciation						
Beginning of financial year	-	416	2,816	3,749	10,124	17,105
Currency translation differences	-	54	(301)	(286)	(504)	(1,037)
Depreciation charge	-	114	425	1,431	1,859	3,829
Disposals	-	-	(57)	(245)	(458)	(760)
End of financial year	-	584	2,883	4,649	11,021	19,137
Net book value						
End of financial year	**524**	**5,354**	**2,323**	**4,861**	**3,963**	**17,025**

22. INVESTMENT PROPERTIES

	Group	
	2015 $'000	**2014 $'000**
Cost		
Beginning of financial year	**115,768**	52,598
Additions	**54,880**	80,593
Disposals	**-**	(17,423)
End of financial year	**170,648**	115,768
Accumulated depreciation		
Beginning of financial year	**6,806**	2,252
Depreciation charge	**3,985**	4,554
End of financial year	**10,791**	6,806
Net book value		
End of financial year	**159,857**	108,962

Investment properties are leased to non-related parties under operating leases [Note 36(c)].

NOTES TO THE FINANCIAL STATEMENTS
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22. INVESTMENT PROPERTIES (cont'd)

The following amounts are recognised in profit and loss:

	Group	
	2015 $'000	**2014 $'000**
Rental income	**17,319**	12,505
Direct operating expenses arising from:		
- Investment properties that generate rental income	**3,985**	4,554

At the statement of financial position date, the details of the Group's investment properties are as follows:

Location	Description	Existing use	Terms of lease
(1) 10 Seletar Aerospace Heights	Industrial/ Leasehold	Rental	30 years from 1 June 2012
(2) 80 Boon Keng Road (Phase 1)	Industrial/ Leasehold	Rental	56 years from 1 April 2011
(3) 16 Tampines Industrial Cresent	Industrial/ Leasehold	Rental	30 years from 16 June 2012
(4) 26 Changi North Rise	Industrial/ Leasehold	Rental	60 years from 30 April 2010
(5) 10 Changi North Way	Industrial/ Leasehold	Rental	54 years from 16 September 2010
(6) 80 Boon Keng Road (Phase 2)	Industrial/ Leasehold	Rental	46 years from 1 October 2014
(7) 31 Tuas South Ave 10	Industrial/ Leasehold	Rental	30 years from 16 December 2014
(8) 10 Tukang Innovation Drive	Industrial/ Leasehold	Rental	30 years from 1 November 2014
(9) 36 Tuas Road	Industrial/ Leasehold	Rental	12 years from 1 October 2014

Independent professional valuations of the Group's investment properties have been performed by independent valuers with an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. The valuation of $264,600,000 (2014: $179,000,000) is based on sales comparison method and income method for comparative properties. Key inputs used in the valuations are the estimated annual net rent, internal rate of return and comparable sales in the area. In the opinion of the directors, the valuations performed prior to the end of the reporting period approximate the fair values of the investment properties as at 31 March 2015.

As at 31 March 2015, investment properties amounting to $159,857,000 (2014: $65,630,000) are pledged to banks for banking facilities (Note 29).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

22. INVESTMENT PROPERTIES (cont'd)

Fair value hierarchy

The table below analyses investment properties not carried at fair value, but for which fair values are disclosed.

	Fair value measurements at 31 March 2015 using		
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Description	**$'000**	**$'000**	**$'000**
Recurring fair value measurements			
Investment properties:			
- Industrial buildings - Singapore	**-**	**-**	**264,600**

	Fair value measurements at 31 March 2014 using		
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Description	**$'000**	**$'000**	**$'000**
Recurring fair value measurements			
Investment properties:			
- Industrial buildings - Singapore	-	-	179,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

23. INTANGIBLE ASSETS

	Group	
	2015 **$'000**	**2014** **$'000**
Composition:		
Goodwill arising on consolidation [Note 23(a)]	-	1,322
Other intangible assets [Note 23(b)]	**1,452**	2,420
	1,452	3,742

(a) Goodwill arising on consolidation

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units ("CGU") that are expected to benefit from that business combination. The above goodwill has been allocated to Mapdata Services Pty Ltd CGU within the geo-spatial technology segment.

The recoverable amount of a CGU was determined based on value-in-use. Cash flow projections used in the value-in-use calculations were based on financial budgets approved by management covering a five year period and a terminal value. The cash flow projections are based on assumptions in relation to cash inflows and outflows that represent management's best estimate of future cash flows, based on past experience and expectations for the future.

In 2015, the goodwill has been fully impaired.

Key assumptions used for value-in-use calculations:

	2015 **%**	**2014** **%**
Discount rate	**12.0**	10.5
Terminal growth rate	**3.0**	3.0

These assumptions were used for the analysis of the CGU. The discount rate used was pre-tax and reflected specific risks relating to the type of business and segment within which it operates. The terminal growth rate used represents management's minimum expectation of long-term growth.

An impairment charge of $1,363,000 (2014: Nil) is included within "Administrative expenses" in the profit or loss. The impairment charge has arisen due to sales activity below expected levels as a result of unfavourable business conditions and staff turnover.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

23. INTANGIBLE ASSETS (cont'd)

(b) Other intangible assets

	Intellectual property rights	Independent power producer rights	Trademarks	Customer lists	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Group						
2015						
Cost						
Beginning of financial year	**423**	**867**	**1,459**	**421**	**399**	**3,569**
Currency translation differences	**-**	**-**	**(101)**	**(29)**	**-**	**(130)**
Disposals	**(423)**	**(867)**	**-**	**-**	**-**	**(1,290)**
End of financial year	**-**	**-**	**1,358**	**392**	**399**	**2,149**
Accumulated amortisation						
Beginning of financial year	**94**	**-**	**-**	**421**	**143**	**658**
Currency translation differences	**-**	**-**	**-**	**(29)**	**-**	**(29)**
Disposals	**(94)**	**-**	**-**	**-**	**-**	**(94)**
End of financial year	**-**	**-**	**-**	**392**	**143**	**535**
Accumulated impairment						
Beginning of financial year	**329**	**-**	**-**	**-**	**162**	**491**
Disposals	**(329)**	**-**	**-**	**-**	**-**	**(329)**
End of financial year	**-**	**-**	**-**	**-**	**162**	**162**
Net book value						
End of financial year	**-**	**-**	**1,358**	**-**	**94**	**1,452**
2014						
Cost						
Beginning of financial year	423	-	1,643	474	399	2,939
Additions	-	867	-	-	-	867
Currency translation differences	-	-	(184)	(53)	-	(237)
End of financial year	423	867	1,459	421	399	3,569
Accumulated amortisation						
Beginning of financial year	94	-	-	474	143	711
Currency translation differences	-	-	-	(53)	-	(53)
End of financial year	94	-	-	421	143	658
Accumulated impairment						
Beginning of financial year	329	-	-	-	70	399
Impairment charge	-	-	-	-	92	92
End of financial year	329	-	-	-	162	491
Net book value						
End of financial year	**-**	**867**	**1,459**	**-**	**94**	**2,420**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

23. INTANGIBLE ASSETS (cont'd)

(b) Other intangible assets (cont'd)

Intellectual property rights acquired by a subsidiary relate to the manufacture, assembly, sale and commercial operation of certain boilers on a worldwide basis. The intellectual property rights were disposed during the year.

In 2014, the Group acquired independent power producer rights, which relate to rights to sell electricity generated by solar power to public utilities in Japan under the feed-in-tariff scheme. The independent power producer rights were disposed during the year.

Trademarks were acquired in 2010 as part of the acquisition of a subsidiary. The fair value is based on its intended use and the expected future economic benefit to be derived from the future operating cash inflows from products and services associated with the acquired trademarks. Management is of the view that the trademarks will continuously be renewed for the foreseeable future, and hence are deemed to have an indefinite useful life and will be subject to impairment testing annually, or more frequently if events or circumstances indicate that it might be impaired. No impairment has been recognised in 2015 and 2014.

Customer list which was acquired as part of the acquisition of a subsidiary in 2010 has been amortised over its useful life of 2 years.

24. INVESTMENTS IN ASSOCIATED COMPANIES

	Group	
	2015 $'000	**2014 $'000**
Beginning of financial year	**3,959**	2,787
Currency translation differences	**(34)**	-
Additions	**-**	1,348
Allowance made for impairment loss	**(120)**	-
Share of loss, net of tax	**(44)**	(176)
End of financial year	**3,761**	3,959

The associated companies are, in the opinion of the directors, not material to the Group.

The aggregate of the Group's share in the net loss and total comprehensive income of individually immaterial associated companies and their carrying amount are as follows:

	Group	
	2015 $'000	**2014 $'000**
- Net loss and total comprehensive loss	**(44)**	(176)
- Carrying amount	**3,761**	3,959

	Company	
	2015 $'000	**2014 $'000**
Unquoted equity shares at cost		
Beginning and end of financial year	**3,940**	3,940
Less: Allowance for impairment loss	**(1,273)**	(1,153)
	2,667	2,787

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

25. INVESTMENTS IN JOINT VENTURES

	Group	
	2015 $'000	**2014 $'000**
Beginning of financial year	**4,467**	-
Additions	**-***	-*
Shareholders' loans	**7,435**	4,863
Elimination of share of unrealised construction profits	**(831)**	(387)
Share of loss, net of tax	**(343)**	(9)
End of financial year	**10,728**	4,467

* Less than $1,000

Set out below is the joint venture of the Group as at 31 March 2015 which in the opinion of the directors, is material to the Group. The joint venture is funded via a combination of share capital and shareholders' loans. The country of incorporation of the joint venture entity is also its principal place of business.

Name of entity	Place of business/ country of incorporation	% of ownership interest
BP-Vista LLP	Singapore	30%

On 28 December 2014, the Company established a partnership, BP-Vista LLP ("BP-Vista") with a Middle-Eastern sovereign wealth fund to jointly acquire land and develop a building at One-North Business Park, Singapore for lease. The Company and the Middle-Eastern sovereign wealth fund have an interest of 30% and 70%, respectively, in the partnership. BP-Vista is a joint venture of the Group as key business decisions relating to the development of the projects require the unanimous approval of its joint venturers.

There are no contingent liabilities relating to the Group's interest in the joint ventures.

The shareholders' loans receivable from the Group's joint ventures are unsecured, interest-free and are treated as part of the Group's investments as the Group does not expect to demand repayment of the loans.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

25. INVESTMENTS IN JOINT VENTURES (cont'd)

Summarised financial information for joint venture

Set out below is the summarised financial information for BP-Vista

Summarised statement of financial position

	BP-Vista	
	As at 31 March	
	2015 $'000	2014 $'000
Current assets	**5,662**	-
Includes:		
- Cash and cash equivalents	**1,039**	-
Current liabilities	**(51,096)**	-
Includes:		
- Financial liabilities (excluding trade and other payables)	**(50,940)**	-
- Other current liabilities (including trade and other payables)	**(156)**	-
Non-current assets	**68,012**	-
Non-current liabilities	**(22,720)**	-
Includes:		
- Financial liabilities	**(22,720)**	-
Net assets	**(142)**	-

Summarised statement of comprehensive income

	BP-Vista	
	For the year ended 31 March	
	2015 $'000	2014 $'000
Interest expense	**(142)**	-
Loss before income tax	**(142)**	-
Income tax expense	**-**	-
Net loss and total comprehensive income	**(142)**	-

The information above reflects the amounts presented in the financial statements of the joint venture (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the joint venture.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

25. INVESTMENTS IN JOINT VENTURES (cont'd)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in joint ventures, is as follows:

	BP-Vista	
	As at 31 March	
	2015 $'000	2014 $'000
Net Liabilities		
At 1 April	**-**	-
Loss for the financial year	**(142)**	-
At 31 March	**(142)**	
Interest in joint venture (30%)	**(43)**	-
Shareholders' loans	**6,818**	-
Carrying value	**6,775**	-

The aggregate of the Group's share in the net loss and total comprehensive income of individually immaterial joint ventures and their carrying amount are as follows:

	Group	
	2015 $'000	2014 $'000
- Net loss and total comprehensive loss	**(300)**	(9)
- Carrying amount	**3,953**	4,467

Details of the more significant joint venture is included in Note 26.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26. INVESTMENTS IN SUBSIDIARIES

	Company	
	2015 **$'000**	**2014** **$'000**
Unquoted equity shares at cost	**136,543**	140,562
Less: Allowance for impairment losses	**(30,005)**	(30,190)
	106,538	110,372
Loans to subsidiaries	**26,347**	30,826
Less: Allowance for impairment of loans to subsidiaries	**(16,015)**	(16,318)
	10,332	14,508
	116,870	124,880

The loans to subsidiaries are unsecured and interest-free. The loans to subsidiaries are treated as part of investment in subsidiaries as the Company does not expect to demand repayment of the loans.

Movement in the allowance for impairment losses is as follows:

	Company	
	2015 **$'000**	**2014** **$'000**
Beginning of financial year	**30,190**	48,537
Allowance made	**-**	100
Allowance written off	**(185)**	(18,447)
End of financial year	**30,005**	30,190

In 2015, management assessed the recoverability of its investments and is of the view that certain subsidiaries' recoverable amounts may be lower than its cost of investments and accordingly, an impairment loss of $Nil (2014: $100,000) has been made.

Movement in the allowance for impairment of loan receivables is as follows:

	Company	
	2015 **$'000**	**2014** **$'000**
Beginning of financial year	**16,318**	17,411
Allowance written back	**(303)**	(1,093)
End of financial year	**16,015**	16,318

In 2015 and 2014, there was a write-back of allowance for loan receivables as a portion of the loan receivables from its subsidiaries has been repaid.

The non-controlling interests for the subsidiaries are, in the opinion of the directors, not material to the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

On 23 March 2015, the Company entered into the Restructuring Agreement with its wholly-owned subsidiary, Boustead Projects Limited ("BPL") and the Wuxi Boustead Sale and Purchase Agreement with a wholly-owned subsidiary of BPL, to dispose its entire equity interest of the following companies:

Name of companies	Principal activities	Country of business incorporation
Wholly-owned subsidiaries of Boustead Singapore Limited		
Wuxi Boustead Industrial Development Co. Ltd.	Development of industrial space for lease/sale	People's Republic of China
Boustead Real Estate Fund	Private business trust	Singapore
Boustead Trustees Pte Ltd	Trustee for real estate trust	Singapore
Boustead Funds Management Pte Ltd	Property fund management	Singapore
Boustead Property Services Pte Ltd	Management of properties	Singapore

With the completion of the restructuring, the BPL group now holds Wuxi Boustead Industrial Development Co. Ltd., Boustead Real Estate Fund, Boustead Trustees Pte Ltd, Boustead Funds Management Pte Ltd and Boustead Property Services Pte Ltd as subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Details of significant subsidiaries and a joint venture are set out below:

Name of companies	Principal activities	Country of business incorporation	Equity holding 2015 %	Equity holding 2014 %
Significant subsidiaries held by the Company				
Boustead Projects Limited [1] (formerly known as Boustead Projects Pte Ltd)	Design-and-build and development of industrial facilities and industrial parks for lease/sale	Singapore	**100.0**	100.0
Boustead Services Pte Ltd [1]	Provision of management services	Singapore	**100.0**	100.0
Esri Australia Pty Ltd [2]	Exclusive distributor for Esri geo-spatial technology and provider of professional services and training	Australia	**88.2**	88.2
Esri South Asia Pte Ltd [1]	Exclusive distributor for Esri geo-spatial technology and provider of professional services and training	Singapore	**88.2**	88.2
Boustead Salcon Water Solutions Pte Ltd [1]	Design, engineering and construction of water and wastewater treatment plants	Singapore	**100.0**	100.0
BIH Holdings Pte Ltd [1]	Investment holding	Singapore	**100.0**	100.0
Significant subsidiaries held by the Company's subsidiaries				
Boustead Trustees Pte. Ltd. [1]	Trustee for real estate trust	Singapore	**100.0**	100.0
CN Logistics Pte Ltd [1]	Holding of property for rental income	Singapore	**100.0**	100.0
Boustead Projects (Vietnam) Co. Ltd [5]	Design and build contractors	Vietnam	**100.0**	100.0
BP-UMS Pte Ltd [1]	Holding of property for rental income	Singapore	**100.0**	100.0
BP-Tuas 1 Pte Ltd [1]	Holding of property for rental income	Singapore	**100.0**	100.0
BP-CA Pte Ltd [1]	Holding of property for rental income	Singapore	**100.0**	100.0
BP-SFN Pte Ltd [1]	Holding of property for rental income	Singapore	**100.0**	100.0
BP-BBD Pte Ltd [1]	Holding of property for rental income	Singapore	**100.0**	100.0
PIP Pte. Ltd. [1]	Provide project management, design, construction and property-related services	Singapore	**100.0**	100.0
BP-EA Pte. Ltd. [1]	Holding of property for rental income	Singapore	**100.0**	100.0
BP-JCS Pte. Ltd. [1]	Holding of property for rental income	Singapore	**100.0**	100.0
BP-Lands Sdn Bhd [4]	Investment holding	Malaysia	**100.0**	100.0
BP-TN Pte. Ltd. [1]	Holding of property for rental income	Singapore	**100.0**	100.0
Wuxi Boustead Industrial Development Co. Ltd [5]	Development of industrial space for lease/sale	People's Republic of China	**100.0**	100.0

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

26. INVESTMENTS IN SUBSIDIARIES (cont'd)

Name of companies	Principal activities	Country of business incorporation	Equity holding 2015 %	Equity holding 2014 %
Significant subsidiaries held by the Company's subsidiaries (cont'd)				
Boustead Real Estate Fund [1]	Private business trust	Singapore	**100.0**	100.0
Controls & Electrics Pte Ltd [1]	Design, engineering and supply of process control systems	Singapore	**78.8**	78.8
MapData Services Pty Ltd [2]	Provider of geo-spatial technology and data sets	Australia	**88.2**	88.2
Esri Malaysia Sdn Bhd [4]	Exclusive distributor for Esri geo-spatial technology and provider of professional services and training	Malaysia	**88.2**	88.2
Esri Singapore Pte Ltd [1]	Exclusive distributor for Esri geo-spatial technology and provider of professional services and training	Singapore	**88.2**	88.2
PT Esri Indonesia [5]	Exclusive distributor for Esri geo-spatial technology and provider of professional services and training	Indonesia	**88.2**	88.2
Boustead International Heaters Limited [3]	Design, engineering and supply of process heater systems and waste heat recovery units	United Kingdom	**100.0**	100.0
Boustead International Heaters Pte Ltd [1]	Design, engineering and supply of process heater systems and waste heat recovery units	Singapore	**100.0**	100.0
BIH Heaters Malaysia Sdn Bhd [4]	Design, engineering and supply of process heater systems and waste heat recovery units	Malaysia	**100.0**	100.0
Significant joint venture held by the Company's subsidiary				
BP-Vista LLP [6]	Holding of property for rental income	Singapore	**30.0**	-

(1) Audited by PricewaterhouseCoopers LLP, Singapore
(2) Audited by PricewaterhouseCoopers, Australia
(3) Audited by PricewaterhouseCoopers LLP, United Kingdom
(4) Audited by PricewaterhouseCoopers, Malaysia
(5) Audited by other auditors
(6) Newly incorporated during the year

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

27. DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

	Group	
	2015 $'000	**2014 $'000**
Deferred income tax assets		
- To be recovered within one year	**-**	-
- To be recovered after one year	**2,333**	2,734
	2,333	2,734
Deferred income tax liabilities		
- To be settled within one year	**-**	-
- To be settled after one year	**2,123**	2,186
	2,123	2,186

Movement in deferred income tax account is as follows:

	Group	
	2015 $'000	**2014 $'000**
Beginning of financial year	**548**	955
Currency translation differences	**(158)**	(334)
Tax charged to profit or loss [Note 10(a)]	**(180)**	(73)
End of financial year	**210**	548

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses and capital allowances of $30,357,000 (2014: $49,232,000) at the end of the reporting period which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation. The tax losses and capital allowances have no expiry date.

Deferred income tax liabilities of $2,894,000 (2014: $891,000) have not been recognised for the withholding and other taxes that will be payable on the earnings of overseas subsidiaries when remitted to the holding company. These unremitted profits are permanently reinvested and amount to $13,701,000 (2014: $5,293,000) at the statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS
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27. DEFERRED INCOME TAXES (cont'd)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same tax jurisdiction) is as follows:

Group

Deferred income tax liabilities

	Accelerated tax depreciation	Others	Total
	$'000	$'000	$'000
2015			
Beginning of financial year	**(1,975)**	**(211)**	**(2,186)**
Currency translation differences	**4**	**8**	**12**
Credited/(charged) to profit or loss	**(68)**	**119**	**51**
End of financial year	**(2,039)**	**(84)**	**(2,123)**
2014			
Beginning of financial year	(2,102)	(134)	(2,236)
Currency translation differences	(4)	15	11
Credited/(charged) to profit or loss	131	(92)	39
End of financial year	(1,975)	(211)	(2,186)

Deferred income tax assets

	Provisions $'000
2015	
Beginning of financial year	**2,734**
Currency translation differences	**(170)**
Charged to profit or loss	**(231)**
End of financial year	**2,333**
2014	
Beginning of financial year	3,191
Currency translation differences	(345)
Charged to profit or loss	(112)
End of financial year	2,734

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Current				
Trade payables to:				
- Non-related parties	**47,870**	51,413	**-**	-
Advances received	**468**	2,034	**-**	-
Retention sum payables	**20,524**	16,856	**-**	-
Sundry creditors	**11,274**	7,600	**5,420**	2,899
Dividends payable to non-controlling interests	**571**	361	**-**	-
Deposits received	**7,912**	19,396	**-**	-
Deferred income from maintenance contracts	**24,528**	24,145	**-**	-
Accruals for construction contracts	**97,706**	86,980	**-**	-
Accruals for operating expenses	**26,706**	26,013	**1,457**	1,658
	237,559	234,798	**6,877**	4,557
Non-current				
Retention sum payables	**2,324**	3,295	**-**	-
Deferred income from maintenance contracts	**3,535**	4,095	**-**	-
Total trade and other payables	**5,859**	7,390	**-**	-

Included in accruals for construction contracts is a provision for liquidated damages amounting to $1,969,000 (2014: $815,000). During the year, there was $679,000 (2014: $Nil) utilised and $1,833,000 (2014: $815,000) charged to cost of sales.

29. BORROWINGS

	Group		Company	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**
Current				
Bank overdrafts (Note 12)	**-**	503	**-**	-
Bank borrowings	**12,105**	6,224	**-**	809
	12,105	6,727	**-**	809
Non-current				
Bank borrowings	**174,374**	46,740	**-**	-
Total borrowings	**186,479**	53,467	**-**	809

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

29. BORROWINGS (cont'd)

The exposure of the borrowings of the Group and the Company to interest rate changes and the contractual repricing dates at the statement of financial position date are as follows:

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
6 months or less	**186,479**	52,155	**-**	-

(a) Security granted

Total borrowings include secured liabilities of $186,479,000 (2014: $52,155,000) for the Group. Bank borrowings are secured over properties held for sale (Note 18) and investment properties (Note 22).

(b) Fair value of non-current borrowings

At the statement of financial position date, the carrying amounts of the borrowings approximated their fair values as all the amounts are at floating interest rates and are revised every one to six months.

30. FOREIGN EXCHANGE CONTRACTS

	Group			Company		
	Contract notional amount	Fair value		Contract notional amount	Fair value	
		Asset	Liability		Asset	Liability
	$'000	$'000	$'000	$'000	$'000	$'000
2015						
Foreign exchange contracts	**(28,803)**	**1,642**	**(833)**	**(16,010)**	**135**	**(833)**
2014						
Foreign exchange contracts	9,479	38	(1,420)	(9,664)	38	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

31. PENSION LIABILITY

A subsidiary in the United Kingdom ("UK") operates a defined benefit pension scheme in the UK – Boustead International Heaters Limited Pension Plan. The defined benefit scheme is funded by the payment of contributions to a separately administered trust fund.

The pension costs for the defined benefit scheme are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the attained age method and are updated at the end of each financial year. The most recent full valuation was performed in the financial year 2013. An update on valuation was obtained for the financial year 2015.

Key assumptions used by the actuaries

	2015	2014
Discount rate (per annum)	**3.50%**	4.55%
Rate of price inflation (per annum)	**3.25%**	3.60%
Rate of increase in salaries (per annum)	**2.65%**	3.00%
Post-retirement mortality assumption	**100% of S1PXA, CMI 2012 projections, 1.5% per annum long-term rate**	100% of S1PXA, CMI 2012 projections, 1.5% per annum long-term rate

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the key assumptions is:

- a 0.10% (2014: 0.10%) decrease in discount rate would increase liabilities by $469,000 (2014: $400,000).
- a 0.10% (2014: 0.10%) increase in rate of price inflation would increase liabilities by $509,000 (2014: $413,000).
- a 0.10% (2014: 0.10%) increase in rate of increase in salaries would increase liabilities by $102,000 (2014: $82,000).
- a 0.25% (2014: 0.25%) increase in mortality long-term rate would increase liabilities by $428,000 (2014: $335,000).

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Reconciliation to statement of financial position

The amount recognised in the statement of financial position is determined as follows:

	Group	
	2015 $'000	**2014 $'000**
Present value of defined benefit obligation	**26,040**	23,312
Fair value of plan assets	**(22,798)**	(20,218)
Liability recognised in the statement of financial position	**3,242**	3,094

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

31. PENSION LIABILITY (cont'd)

The movement in the pension liability is as follows:

	Present value of obligation	Fair value of plan assets	Total
	$'000	$'000	$'000
Group			
At 1 April 2014	**23,312**	**(20,218)**	**3,094**
Current service cost	**206**	**-**	**206**
Interest expense/(income)	**1,076**	**(1,036)**	**40**
	1,282	**(1,036)**	**246**
Remeasurements:			
- Return on plan assets, excluding amounts included in interest income	**-**	**(2,110)**	**(2,110)**
- Loss from change in financial assumptions	**2,745**	**-**	**2,745**
	2,745	**(2,110)**	**635**
Exchange differences	**(620)**	**767**	**147**
Contributions:			
- Employers	**-**	**(880)**	**(880)**
- Plan participants	**106**	**(106)**	**-**
Payments from plans:			
- Benefits payments	**(785)**	**785**	**-**
At 31 March 2015	**26,040**	**(22,798)**	**3,242**
At 1 April 2013	19,993	(18,034)	1,959
Current service cost	224	-	224
Interest expense/(income)	1,008	(934)	74
	1,232	(934)	298
Remeasurements:			
- Return on plan assets, excluding amounts included in interest income	-	732	732
- Gain from change in demographic assumptions	(196)	-	(196)
- Loss from change in financial assumptions	374	-	374
- Experience losses	326	-	326
	504	732	1,236
Exchange differences	2,223	(1,798)	425
Contributions:			
- Employers	-	(824)	(824)
- Plan participants	96	(96)	-
Payments from plans:			
- Benefits payments	(736)	736	-
At 31 March 2014	**23,312**	**(20,218)**	**3,094**

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31. PENSION LIABILITY (cont'd)

Plan assets are comprised as follows:

	Group	
	2015 $'000	**2014 $'000**
Diversified growth funds	**9,156**	8,424
Index-linked bonds	**4,826**	4,085
Other bonds	**8,659**	7,437
Cash	**157**	272
Total	**22,798**	20,218

Majority of the plan assets are quoted in an active market. The plan assets do not include any investment in shares of the Company or any assets used by the Group.

Through its defined benefit pension scheme, the Group is exposed to two primary risks which are detailed below:

Inflation risk	The majority of the plan's defined benefit obligations are linked to inflation and an increase in inflation will lead to higher liabilities. Risk is mitigated through investment in index-linked bonds and caps on annual increases in pensions and pensionable salaries.
Life expectancy	The defined benefit obligations have been valued based on assumptions regarding mortality. A relatively small number of plan members, combined with a wide distribution of pensionable salary and pension levels, increases the risk of volatility in the valuation of those obligations over time. However, the plan has fairly matured demographically and has been closed to new members since 2002.

The Group ensures that the plan's investment portfolio is managed in accordance with an agreed investment policy. The principal objectives of the investment policy are to ensure that the plan can meet its obligations as they fall due and to manage the expected volatility of returns over time in order to control the level of volatility in the plan's required contribution levels. The investment policy also sets benchmark allocations between growth-driven and protection-driven asset classes. The allocation between these classes is periodically reviewed and adjusted if necessary to match the plan's obligations accordingly.

The Group has agreed that it will aim to eliminate the pension plan deficit over the next five years, by contributing $580,000 (2014: $596,000), inflated at 3.5% (2014: 3.5%), per year. The Group considers that the contribution rates set are sufficient to eliminate the deficit over the agreed period.

Expected contributions to the defined pension benefit scheme for the year ending 31 March 2016 and 31 March 2015 are $893,000 and $891,000 respectively.

The weighted average duration of the defined benefit obligation is 17.5 years (2014: 17.5 years).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

32. SHARE CAPITAL AND TREASURY SHARES

	No. of ordinary shares		Amount	
	Issued share capital	Treasury shares	Issued share capital	Treasury shares
	'000	'000	$'000	$'000
Group and Company				
2015				
Beginning of financial year	**515,001**	**16,343**	**92,279**	**(10,401)**
Share issued	**60**	**-**	**204**	**-**
Shares issued pursuant to scrip dividend scheme	**4,911**	**-**	**8,841**	**-**
Treasury shares re-issued	**217**	**(217)**	**-**	**138**
End of financial year	**520,189**	**16,126**	**101,324**	**(10,263)**
2014				
Beginning of financial year	501,480	16,456	74,021	(10,472)
Share issued	200	-	163	-
Shares issued pursuant to scrip dividend scheme	13,208	-	18,095	-
Treasury shares re-issued	113	(113)	-	71
End of financial year	515,001	16,343	92,279	(10,401)

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

The Company issued 60,000 (2014: 200,000) ordinary shares during the financial year pursuant to Boustead Share Option Scheme 2001 for a total consideration of $36,000 (2014: $120,000) upon exercise of employees' share options. The newly issued shares rank pari passu in all respects with the previously issued shares.

The Company re-issued 217,000 (2014: 113,000) treasury shares during the financial year pursuant to the Boustead Restricted Share Plan 2011. The cost of the treasury shares re-issued amounted to $138,000 (2014: $71,000).

Employee share plans

The Company has a share option scheme (equity-settled) for all Key Persons and non-executive directors of the Company (the "2001 Scheme"). "Key Persons" mean full-time confirmed personnel within the Boustead Group (including executive directors, directors of the Company's subsidiaries and employees seconded to any associated companies or any other Company in which the Boustead Group holds shares) and, on a selective basis, employees of associated companies. Controlling shareholders and their associated companies are not eligible to participate in the 2001 Scheme.

The committee administering the option scheme comprises four members, all of whom are non-executive directors. The subscription price payable to exercise options granted under the 2001 Scheme shall be determined by the Committee in its absolute discretion as follows:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

32. SHARE CAPITAL AND TREASURY SHARES (cont'd)

Employee share plans (cont'd)

(i) Non-discounted options

The average of the last transacted prices of the Company's shares on 3 consecutive market days immediately preceding the date on which options were offered.

(ii) Discounted options

A subscription price at up to the maximum discount of 20% to the market price of the Company's share. However, no discounted options will be granted at any time where the Group's earnings per share ("EPS") based on the latest full year audited accounts is less than the Group's EPS of the full year audited accounts immediately preceding.

Under the 2001 Scheme, the option period during which the options can be exercised is as follows:

(i) For discounted options

The period commencing on the second anniversary of the offering date of such options and ending on the day immediately preceding the tenth anniversary of such offering date;

(ii) For non-discounted options granted to Key Persons other than non-executive directors

The period commencing on the first anniversary of the offering date of such options and ending on the day immediately preceding the tenth anniversary of such offering date; and

(iii) For non-discounted options granted to non-executive directors

The period commencing on the first anniversary of the offering date of such options and ending on the day immediately preceding the fifth anniversary of such offering date.

The options are granted for a consideration of $1 for all the shares in respect of which the options are granted. Options are forfeited when the employee leaves the Group before the options vest.

Details of the share options outstanding during the year are as follows:

	2015		2014	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
	'000	$	'000	$
Group and Company				
Outstanding at beginning of the year	**60**	**0.6**	260	0.6
Exercised during the year	**(60)**	**0.6**	(200)	0.6
Outstanding at end of the year	**-**		60	
Exercisable at end of the year	**-**		60	

The share price at the date of exercise for share options exercised during the year was $1.86 (2014: $1.40). The options outstanding at the end of the year have a weighted average remaining contractual life of Nil years (2014: 5.1 years).

There were no share options granted in 2015 and 2014.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

32. SHARE CAPITAL AND TREASURY SHARES (cont'd)

Employee share plans (cont'd)

The Boustead Share Option Scheme 2001 expired on 30 August 2011 and was replaced by the Boustead Restricted Share Plan 2011 (the "2011 Share Plan"). The 2011 Share Plan was approved by the members of the Company at its Extraordinary General Meeting on 13 October 2011. Under the 2011 Share Plan, all deserving executive employees and non-executive directors of the Company as well as associated companies of controlling shareholders separately approved by independent members of the Company are eligible to participate in the 2011 Share Plan at the discretion of a committee duly authorised by the Board of Directors.

Awards granted under the 2011 Share Plan may be subject to time-based and/or performance-based restrictions. Time-based restricted awards granted under the 2011 Share Plan will vest only after satisfactory completion of time-based service conditions, that is, after the participant has served the Group for a specified number of years. Performance-based restricted awards will vest after a further period of service beyond the performance target completion date. No minimum vesting periods are prescribed under the 2011 Share Plan, and the length of the vesting period(s) in respect of each award will be determined on a case-by-case basis.

Participants are not required to pay for the grant of the awards. Awards are forfeited when the participant leaves the Group before the awards vest.

Details of the shares under 2011 Share Plan outstanding during the year are as follows:

	2015 Number of shares	2014 Number of shares
Group and Company		
Outstanding at beginning of the year	**639,809**	676,302
Granted during the year	**442,966**	76,418
Vested during the year	**(216,987)**	(112,911)
Outstanding at end of the year	**865,788**	639,809

The fair value of the shares granted under 2011 Share Plan during the year is $1.87 (2014: $1.45). The fair value is determined based on the market share price at the grant date.

The Group recognised total expenses of $482,000 (2014: $138,000) relating to equity settled share-based compensation during the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

33. OTHER RESERVES

	Fair value reserve	Capital reserve	Share-based compensation reserve	Foreign currency translation reserve	Total
	$'000	$'000	$'000	$'000	$'000
Group					
2015					
Beginning of financial year	**5,030**	**(9,654)**	**182**	**(9,816)**	**(14,258)**
Available-for-sale financial assets					
- Fair value losses	**(1,009)**	**-**	**-**	**-**	**(1,009)**
- Reclassification to profit or loss on disposal	**(3,528)**	**-**	**-**	**-**	**(3,528)**
Net currency translation differences of financial statements of foreign subsidiaries and associated companies	**-**	**-**	**-**	**(2,814)**	**(2,814)**
Less: Non-controlling interests	**-**	**-**	**-**	**12**	**12**
Other comprehensive loss for the year	**(4,537)**	**-**	**-**	**(2,802)**	**(7,339)**
Employee share awards					
- Value of employee services	**-**	**-**	**482**	**-**	**482**
- Issue of new shares	**-**	**-**	**(168)**	**-**	**(168)**
- Treasury shares re-issued	**-**	**-**	**(138)**	**-**	**(138)**
Issue of new shares pursuant to scrip dividend scheme	**-**	**(49)**	**-**	**-**	**(49)**
Disposal of subsidiaries	**-**	**-**	**-**	**206**	**206**
End of financial year	**493**	**(9,703)**	**358**	**(12,412)**	**(21,264)**
2014					
Beginning of financial year	**835**	**(10,710)**	**159**	**(6,171)**	**(15,887)**
Available-for-sale financial assets					
- Fair value gains	8,409	-	-	-	8,409
- Reclassification to profit or loss on disposal	(4,214)	-	-	-	(4,214)
Net currency translation differences of financial statements of foreign subsidiaries and associated companies	-	-	-	(4,643)	(4,643)
Less: Non-controlling interests	-	-	-	920	920
Other comprehensive income/(loss) for the year	4,195	-	-	(3,723)	472
Employee share awards					
- Value of employee services	-	-	138	-	138
- Issue of new shares	-	-	(44)	-	(44)
- Treasury shares re-issued	-	-	(71)	-	(71)
Issue of new shares pursuant to scrip dividend scheme	-	1,056	-	-	1,056
Disposal of subsidiaries	-	-	-	78	78
End of financial year	**5,030**	**(9,654)**	**182**	**(9,816)**	**(14,258)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

33. OTHER RESERVES (cont'd)

	Fair value reserve	Capital reserve	Share-based compensation reserve	Total
	$'000	$'000	$'000	$'000
Company				
2015				
Beginning of financial year	**5,030**	**1,056**	**182**	**6,268**
Available-for-sale financial assets				
- Fair value losses	**(1,009)**	**-**	**-**	**(1,009)**
- Reclassification to profit or loss on disposal	**(3,528)**	**-**	**-**	**(3,528)**
Other comprehensive loss for the year	**(4,537)**	**-**	**-**	**(4,537)**
Employee share-based compensation				
- Value of employee services	**-**	**-**	**482**	**482**
- Issue of new shares	**-**	**-**	**(168)**	**(168)**
- Treasury shares re-issued	**-**	**-**	**(138)**	**(138)**
Issue of new shares pursuant to scrip dividend scheme	**-**	**(49)**	**-**	**(49)**
End of financial year	**493**	**1,007**	**358**	**1,858**
2014				
Beginning of financial year	**835**	**-**	**159**	**994**
Available-for-sale financial assets				
- Fair value gains	8,409	-	-	8,409
- Reclassification to profit or loss on disposal	(4,214)	-	-	(4,214)
Other comprehensive income for the year	4,195	-	-	4,195
Employee share-based compensation				
- Value of employee services	-	-	138	138
- Issue of new shares	-	-	(44)	(44)
- Treasury shares re-issued	-	-	(71)	(71)
Issue of new shares pursuant to scrip dividend scheme	-	1,056	-	1,056
End of financial year	**5,030**	**1,056**	**182**	**6,268**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

34. RETAINED PROFITS

Movement in retained profits for the Company is as follows:

	Company	
	2015 $'000	**2014 $'000**
Beginning of financial year	**31,915**	26,539
Profit for the year	**21,199**	43,303
Dividends paid (Note 35)		
- In cash	**(28,384)**	(18,776)
- In scrip	**(8,792)**	(19,151)
End of financial year	**15,938**	31,915

Retained profits of the Group and the Company are distributable.

35. DIVIDENDS

In 2015, the Company declared and paid a final tax-exempt (one-tier) cash dividend of 3.0 cents per ordinary share and a special tax-exempt (one-tier) cash/scrip dividend of 2.0 cents per ordinary share amounting to a total of $25,821,000 in respect of the financial year ended 31 March 2014.

In 2015, the Company declared and paid an interim tax-exempt (one-tier) cash/scrip dividend of 2.0 cents per ordinary share amounting to a total of $11,355,000 in respect of the financial year ended 31 March 2015.

In 2014, the Company declared and paid a final tax-exempt (one-tier) cash/scrip dividend of 3.0 cents per ordinary share and a special tax-exempt (one-tier) cash/scrip dividend of 2.0 cents per ordinary share amounting to a total of $27,627,000 in respect of the financial year ended 31 March 2013.

In 2014, the Company declared and paid an interim tax-exempt (one-tier) cash dividend of 2.0 cents per ordinary share amounting to a total of $10,300,000 in respect of the financial year ended 31 March 2014.

On 16 April 2015, the shareholders of the Company approved the dividend in specie of approximately (but not exceeding) 49.0% of the total issued share capital of Boustead Projects Limited ("BP") held by the Company to shareholders on the basis of three (3) ordinary shares in the issued share capital of BP ("BP Distribution Shares") for every 10 ordinary shares in the issued share capital of the Company. Based on 520,466,111 shares (excluding 15,849,323 treasury shares) as at the books closure date on 24 April 2015, an aggregate of 156,138,991 BP Distribution Shares, representing approximately 48.79% of the total issued BP shares was distributed to entitled shareholders on 30 April 2015.

At the Annual General Meeting on 30 July 2015, a final tax-exempt (one-tier) cash dividend of 2.0 cents per ordinary share amounting to approximately $10,427,000 will be recommended. These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 March 2016.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

36. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognised in the financial statements, excluding those relating to investments in associated companies (Note 24) and investments in joint ventures (Note 25), are as follows:

	2015 $'000	2014 $'000
Property, plant and equipment	**424**	75

(b) Operating lease commitments - where the Group is a lessee

The Group leases land and offices from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the statement of financial position date but not recognised as liabilities, are as follows:

	Group	
	2015 $'000	2014 $'000
		(Restated)
Not later than one year	**7,701**	7,848
Between two and five years	**23,644**	25,896
Later than five years	**145,759**	146,089
	177,104	179,833

Operating lease payments represent rentals payable by the Group for the leases of leasehold land premises and office premises. Leases of leasehold land by the Group are negotiated for a term of 30 years with an option to extend for 23 to 30 years from the expiry of the lease terms; for a fixed term of 30 years; or a fixed term of 45 years or 60 years. Rental amounts are fixed for the first year and are subject to annual revision of rent which will be carried out based on the market rate prevailing on the respective revision dates. The operating lease commitments estimated above were determined assuming the same rental expense fixed in the first year continues for the remaining terms of lease.

(c) Operating lease commitments - where the Group is a lessor

The Group leases out industrial space to non-related parties under non-cancellable operating leases.

The future minimum lease receivables under non-cancellable operating leases contracted for at the statement of financial position date but not recognised as receivables, are as follows:

	Group	
	2015 $'000	2014 $'000
		(Restated)
Not later than one year	**31,222**	25,136
Between two and five years	**103,470**	110,811
Later than five years	**131,081**	151,585
	265,773	287,532

Leases are negotiated for a fixed term of 1 to 15 years (2014: 1 to 12 years). The above future minimum lease payments are subject to annual revision of rent based on terms and conditions of the lease agreement. The operating lease commitments estimated above were determined assuming the same rental income fixed during the year continues for the remaining lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

37. CONTINGENCIES

(a) The Company has given guarantees for banking facilities granted to its subsidiaries in respect of performance on certain contracts entered into by its subsidiaries in favour of third parties amounting to $8,157,000 (2014: $9,791,000).

(b) The Group and Company have procured performance guarantees amounting to $127,907,000 (2014: $109,544,000) and $59,709,000 (2014: $69,860,000) respectively issued by banks in favour of third parties.

(c) The Group and Company have executed performance guarantees amounting to $44,674,000 (2014: $54,425,000) and $40,774,000 (2014: $50,525,000) respectively issued to third parties.

(d) As of the statement of financial position date, the directors are of the view that it is more likely than not that no amount will be payable under the arrangements above.

38. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management team then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by finance personnel.

The information presented below is based on information received by the management team.

(a) Market risk

(i) Currency risk

The Group operates in Asia Pacific, Australia, North and South America, Europe, Middle East and Africa with dominant operations in Asia Pacific and Australia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as United States Dollar ("USD"), Euro Dollar ("EUR"), Australian Dollar ("AUD") and Singapore Dollar ("SGD"). Exposure to exchange fluctuation risks is managed as far as possible by natural hedges of matching revenue and costs and using derivatives such as foreign currency forward exchange contracts.

In addition, the Group is exposed to currency translation risk on the net assets in foreign operations. Currency exposure to the net assets of the Group's foreign operations in United Kingdom, Australia, Indonesia, China and Malaysia are managed primarily through natural hedges of matching assets and liabilities and management reviews periodically so that the net exposure is kept at an acceptable level.

The Group utilised currency derivatives to hedge significant transactions and cash flows. The Group is party to a variety of foreign exchange forward contracts in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Group's principal currency exposure based on the information provided to key management is as follows:

	USD	EUR	AUD	SGD[1]	Others	Total
	$'000	$'000	$'000	$'000	$'000	$'000
At 31 March 2015						
Financial assets						
Cash and cash equivalents	**28,115**	**1,552**	**1**	**37**	**1,997**	**31,702**
Trade receivables	**22,359**	**3,062**	**-**	**-**	**214**	**25,635**
Other receivables and prepayments	**720**	**94**	**-**	**-**	**2,421**	**3,235**
Available-for-sale financial assets	**5,550**	**-**	**-**	**-**	**-**	**5,550**
Intercompany receivables	**6,135**	**-**	**-**	**4**	**-**	**6,139**
	62,879	**4,708**	**1**	**41**	**4,632**	**72,261**
Financial liabilities						
Trade and other payables	**(11,436)**	**(2,736)**	**(57)**	**(3)**	**(1,594)**	**(15,826)**
Intercompany payables	**(6,135)**	**-**	**-**	**(9,634)**	**-**	**(15,769)**
	(17,571)	**(2,736)**	**(57)**	**(9,637)**	**(1,594)**	**(31,595)**
Add: Foreign exchange contracts	**5,686**	**(29,139)**	**(5,350)**	**-**	**-**	**(28,803)**
Currency exposure of financial assets/(liabilities)	**50,994**	**(27,167)**	**(5,406)**	**(9,596)**	**3,038**	**11,863**
At 31 March 2014						
Financial assets						
Cash and cash equivalents	45,038	106	-	-	970	46,114
Trade receivables	28,465	14,842	-	-	255	43,562
Other receivables and prepayments	7,034	-	-	-	620	7,654
Financial assets held for trading	1,515	-	-	-	-	1,515
Available-for-sale financial assets	2,438	-	-	-	-	2,438
Intercompany receivables	5,305	-	-	-	-	5,305
	89,795	14,948	-	-	1,845	106,588
Financial liabilities						
Trade and other payables	(17,161)	(6,277)	-	-	(99)	(23,537)
Borrowings	-	-	-	-	(809)	(809)
Intercompany payables	(5,305)	-	-	(11,343)	-	(16,648)
	(22,466)	(6,277)	-	(11,343)	(908)	(40,994)
Add: Foreign exchange contracts	9,479	-	-	-	-	9,479
Currency exposure of financial assets/(liabilities)	76,808	8,671	-	(11,343)	937	75,073

[1] The currency exposure of SGD relates primarily to subsidiaries, whose functional currency is IDR and RMB, that have financial assets or financial liabilities which are denominated in SGD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The Company's principal currency exposure based on the information provided to key management is as follows:

	At 31 March 2015			At 31 March 2014		
	USD	AUD	Total	USD	AUD	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Financial Assets						
Cash and cash equivalents	**2,029**	**-**	**2,029**	205	-	205
Other receivables and prepayments	**720**	**-**	**720**	4,485	-	4,485
Financial assets held for trading	**-**	**-**	**-**	1,515	-	1,515
Available-for-sale financial assets	**5,550**	**-**	**5,550**	2,438	-	2,438
	8,299	**-**	**8,299**	8,643	-	8,643
Add: Foreign exchange contracts	**(10,660)**	**(5,350)**	**(16,010)**	(9,664)	-	(9,664)
Currency exposure of financial liabilities	**(2,361)**	**(5,350)**	**(7,711)**	(1,021)	-	(1,021)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

The following table details the sensitivity to a 10% (2014: 10%) increase and decrease in the relevant foreign currencies against the functional currency of each Group entity. 10% (2014: 10%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% (2014: 10%) change in foreign currency rates.

If the relevant foreign currency change against the SGD by 10% (2014: 10%) with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	Increase/(Decrease)	
	Profit after tax	
	2015 $'000	2014 $'000
Group		
USD against SGD		
- Strengthened	**4,233**	6,375
- Weakened	**(4,233)**	(6,375)
EUR against SGD		
- Strengthened	**(2,255)**	720
- Weakened	**2,255**	(720)
AUD against SGD		
- Strengthened	**(449)**	-
- Weakened	**449**	-
IDR against SGD		
- Strengthened	**797**	778
- Weakened	**(797)**	(778)
RMB against SGD		
- Strengthened	**-**	163
- Weakened	**-**	(163)
Company		
USD against SGD		
- Strengthened	**(196)**	(85)
- Weakened	**196**	85
AUD against SGD		
- Strengthened	**(444)**	-
- Weakened	**444**	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(ii) Price risk

The Group and Company is exposed to price risk arising from available-for-sale financial assets and financial assets held for trading held by the Group and Company. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

The sensitivity analyses below have been determined based on the exposure to price risks at the end of the reporting period.

If prices for available-for-sale financial assets and financial assets held for trading had changed by 10% (2014: 10%) with all other variables including tax rate being held constant, the effects on profit after tax and other comprehensive income would have been:

	Increase/(Decrease)			
	2015		2014	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	$'000	$'000	$'000	$'000
Group				
Available-for-sale financial assets				
Quoted equity securities				
- increased by	**-**	**208**	-	881
- decreased by	**-**	**(208)**	-	(881)
Unquoted equity securities				
- increased by	**-**	**3,835**	-	3,844
- decreased by	**-**	**(3,835)**	-	(3,844)
Quoted debt securities				
- increased by	**-**	**3,703**	-	3,050
- decreased by	**-**	**(3,703)**	-	(3,050)
Financial assets held for trading				
- increased by	**-**	**-**	359	-
- decreased by	**-**	**-**	(359)	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(a) Market risk (cont'd)

(ii) Price risk (cont'd)

	Increase/(Decrease)			
	2015		2014	
	Profit after tax	Other comprehensive income	Profit after tax	Other comprehensive income
	$'000	$'000	$'000	$'000
Company				
Available-for-sale financial assets				
Quoted equity securities				
- increased by	**-**	**208**	-	881
- decreased by	**-**	**(208)**	-	(881)
Unquoted equity securities				
- increased by	**-**	**2,048**	-	2,048
- decreased by	**-**	**(2,048)**	-	(2,048)
Quoted debt securities				
- increased by	**-**	**3,703**	-	3,050
- decreased by	**-**	**(3,703)**	-	(3,050)
Financial assets held for trading				
- increased by	**-**	**-**	359	-
- decreased by	**-**	**-**	(359)	-

The quoted equity and debt securities are listed in Singapore.

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

The Group's exposure to cash flow interest rate risks arises mainly from non-current variable-rate borrowings. The Company's exposure to cash flow interest rate risks arises mainly from borrowings and loans to/from subsidiaries at variable rates.

The Group's and the Company's borrowings at variable rates are denominated mainly in SGD. If the SGD interest rates had been higher/lower by 1% (2014: 1%) with all other variables including tax rate being held constant, the Group's and Company's profit after tax would have been lower/higher by $1,548,000 (2014: $433,000) and $1,265,000 (2014: $1,368,000) respectively as a result of higher/lower interest expense on borrowings and loans from subsidiaries and higher/lower interest income on loans to subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits, trade receivables and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient collateral or buying credit insurance where appropriate to mitigate credit risk. For other financial assets, the Group and Company adopts the policy of dealing only with high credit quality counterparties.

Trade receivables are provided for when management has assessed that the amount owing by a customer is unlikely to be repaid due to financial difficulties faced by the customer. Management may also consider making a provision where the likelihood of recoverability of an amount in dispute with a customer is assessed to be low after seeking legal advice from professional advisors.

Before accepting any new customer, the Group assesses the potential customer's credit quality and define credit limits for each of the customer. Limits attributed to customers are reviewed periodically. There are two (2014: four) external customers which individually represent more than 5% of the total trade receivables.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the statement of financial position. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially assessed up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, management believes that there is no further credit provision required in excess of the allowance for impairment of receivables.

There is no significant credit risk for the Company.

(i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables and other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(b) Credit risk (cont'd)

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables (excluding retention sum receivables) past due but not impaired is as follows:

	Group	
	2015 $'000	**2014 $'000**
Past due > 3 months	**4,341**	6,242

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group	
	2015 $'000	**2014 $'000**
Past due > 3 months	**27,567**	30,760
Less: Allowance for impairment	**(27,567)**	(30,760)
	-	-

The movement in the allowance for impairment is as follows:

	Group	
	2015 $'000	**2014 $'000**
Beginning of financial year	**30,760**	28,825
Currency translation differences	**(3,072)**	1,967
Allowance written-off – non-related parties	**(873)**	(231)
Allowance made – non-related parties	**752**	306
Disposal of subsidiary	**-**	(12)
Allowance written-back	**-**	(95)
End of financial year	**27,567**	30,760

The impaired trade receivables arise mainly from sales to customers which have suffered significant losses in its operations.

(c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions at a short notice. At the end of the reporting period, assets held by the Group and the Company for managing liquidity risk included cash and short-term deposits as disclosed in Note 12.

Management monitors rolling forecasts of the liquidity reserve (comprises undrawn borrowing facility and cash and cash equivalents (Note 12) of the Group and the Company) on the basis of expected cash flow. This is generally carried out at local level in the operating companies of the Group in accordance with the practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring liquidity ratios and maintaining debt financing plans.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Liquidity risk (cont'd)

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year	Between 2 and 5 years	Over 5 years
	$'000	$'000	$'000
Group			
At 31 March 2015			
Trade and other payables	**212,563**	**2,324**	**-**
Borrowings	**16,550**	**134,493**	**53,587**
At 31 March 2014			
Trade and other payables	208,619	3,295	-
Borrowings	7,599	44,980	2,633
Company			
At 31 March 2015			
Trade and other payables	**6,877**	**-**	**-**
Loans from subsidiaries	**163,173**	**-**	**-**
At 31 March 2014			
Trade and other payables	4,557	-	-
Borrowings and loans from subsidiaries	170,986	-	-

The table below analyses the derivative financial instruments of the Group and the Company for which contractual maturities are essential for an understanding of the timing of the cash flows into relevant maturity groupings based on the remaining period from the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year	Between 2 and 5 years
	$'000	$'000
Group		
At 31 March 2015		
Gross-settled foreign exchange contracts		
- Receipts	**24,497**	**-**
- Payments	**(47,915)**	**(5,385)**
At 31 March 2014		
Gross-settled foreign exchange contracts		
- Receipts	19,143	-
- Payments	(6,943)	(2,721)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(c) Liquidity risk (cont'd)

	Less than 1 year	Between 2 and 5 years
	$'000	$'000
Company		
At 31 March 2015		
Gross-settled foreign exchange contracts		
- Payments	**(10,625)**	**(5,385)**
At 31 March 2014		
Gross-settled foreign exchange contracts		
- Payments	(6,943)	(2,721)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Group and the Company are also required by the banks to maintain a gearing ratio of not exceeding 100%. The Group's and the Company's strategies which were unchanged from 2014, are to maintain gearing ratio within the banks' requirements.

The gearing ratio is calculated as bank borrowings divided by total capital. Total capital is calculated as total equity less other reserves, intangibles and net deferred tax assets.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 March 2015 and 2014.

(e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(e) Fair value measurements (cont'd)

	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
Group				
2015				
Assets				
Foreign exchange contracts	**-**	**1,642**	**-**	**1,642**
Available-for-sale financial assets	**39,107**	**-**	**38,350**	**77,457**
Total assets	**39,107**	**1,642**	**38,350**	**79,099**
Liabilities				
Foreign exchange contracts	**-**	**(833)**	**-**	**(833)**
Total liabilities	**-**	**(833)**	**-**	**(833)**
2014				
Assets				
Foreign exchange contracts	-	38	-	38
Available-for-sale financial assets	39,310	-	38,350	77,660
Financial assets held for trading	-	4,320	-	4,320
Total assets	39,310	4,358	38,350	82,018
Liabilities				
Foreign exchange contracts	-	(1,420)	-	(1,420)
Total liabilities	-	(1,420)	-	(1,420)
Company				
2015				
Assets				
Foreign exchange contracts	**-**	**135**	**-**	**135**
Available-for-sale financial assets	**39,107**	**-**	**20,478**	**59,585**
Total assets	**39,107**	**135**	**20,478**	**59,720**
Liabilities				
Foreign exchange contracts	**-**	**(833)**	**-**	**(833)**
Total liabilities	**-**	**(833)**	**-**	**(833)**
2014				
Assets				
Foreign exchange contracts	-	38	-	38
Available-for-sale financial assets	39,310	-	20,478	59,788
Financial assets held for trading	-	4,320	-	4,320
Total assets	39,310	4,358	20,478	64,146

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(e) Fair value measurements (cont'd)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at the statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for equity and debt investments. The fair value of forward foreign exchange contracts is determined using quoted forward currency rates at the end of the reporting period. These investments are classified as Level 2. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

The following table presents the changes in Level 3 instruments:

	Available-for-sale financial assets $'000
2015	
Beginning and end of financial year	**38,350**
Total gains or (losses) for the period included in profit or loss for assets held at the end of the financial year	-
2014	
Beginning of financial year	-
Purchases	18,220
Transfer from Level 2	20,130
End of financial year	38,350
Total gains or (losses) for the period included in profit or loss for assets held at the end of the financial year	-

Level 3 instruments comprise of two (2014: two) unquoted equity investments as at 31 March 2015. As the valuation technique for the instrument is based on significant unobservable inputs, the instruments are classified as Level 3. The higher the underlying net assets and property valuation, the higher the valuation of the available-for-sale financial asset.

The fair value of the first instrument amounting to $20,478,000 (2014: $20,478,000) is determined based on the share of the investee's underlying net assets where any recent property valuation is considered for adjustment.

In 2015, an independent professional valuation of the investee's property has been performed by an independent valuer, with an appropriate recognised professional qualification, and recent experience with the location and category of the property being valued. The valuation, which was performed prior to the end of the reporting period, is based on residual method. However, in the opinion of the directors, marketing of the development has not started and preliminary construction works have only commenced. Hence, the directors are of the view that no adjustment is to be incorporated for the property valuation.

The fair value of the first instrument amounting to $20,478,000 as at 31 March 2014 is determined based on the share of fair value of the underlying net assets of the equity investments, which mainly comprise properties under development. The fair values of the properties are valued based on sales comparison technique, using sales prices of comparable properties ($2,348 - $2,665 per square meter).

The fair value of the second instrument amounting to $17,872,000 (2014: $17,872,000) as at 31 March 2015 is determined based on the share of the investee's underlying net assets where any recent property valuation is considered for adjustment. The share of underlying net assets and property valuation adjustment as at 31 March 2015 are $17,872,000 and Nil, respectively.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

38. FINANCIAL RISK MANAGEMENT (cont'd)

(e) Fair value measurements (cont'd)

An independent professional valuation of the investee's property has been performed by an independent valuer, with an appropriate recognised professional qualification, and recent experience with the location and category of the property being valued. The valuation is based on the sales comparison method and income method for comparative properties. In the opinion of the directors, the valuation which was performed prior to the end of the reporting period approximates the fair value of the property as at 31 March 2015.

The fair value of the available-for-sale financial asset amounting to $17,872,000 as at 31 March 2014 is determined based on the consideration paid for the investment. As the transaction was completed on 25 March 2014, which stay close to the Group's financial year end, the Group considered the consideration to approximate the fair value of the investment.

The management of the Group performs the valuations of the Level 3 instruments. Management reviews the valuation process and results at each financial year end.

The carrying amount less impairment provision of trade receivables, and other receivables and prepayments are assumed to approximate their fair values. The carrying amount of trade and other payables are assumed to approximate their fair values. The carrying amount of loan to/from subsidiaries and borrowings approximates their fair values.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statement of financial position and in Note 15, Note 20 and Note 30 to the financial statements, except for the following:

	Group		Company	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Loans and receivables	**526,559**	409,433	**100,009**	103,594
Financial liabilities at amortised cost	**401,366**	265,381	**169,286**	175,420

39. RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

There are no sales and purchase of goods and services to other related parties. Other related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel and their close family members.

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2015 $'000	2014 $'000
Short-term benefits	**16,514**	16,526
Post-retirement benefits	**587**	462
Share-based compensation expense	**121**	123
	17,222	17,111

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

40. SEGMENT INFORMATION

Segment information is presented in respect of the Group's reportable segment provided to the Group's chief operating decision maker of the purpose of resource allocation and assessment of segment performance.

The chief operating decision maker considers the business from both a business and geographical segment perspective.

The Group's businesses comprise the following:

(i) Energy-related engineering : Energy-related engineering relates to the design, engineering and supply of systems to the oil and gas, petrochemical and solid waste energy recovery sectors.

Water and wastewater engineering relates to the design, engineering and construction of industrial and municipal water and wastewater treatment plants.

(ii) Real estate solutions : Real estate solutions relates to the provision of design-and-build expertise for industrial facilities, along with design-and-building-and-lease arrangements for industrial facilities.

(iii) Geo-spatial technology : This specialises in Esri geographic information systems and location intelligence solutions.

(iv) HQ activities : This manages the Group's investment portfolio to maximise shareholders' returns.

(a) Segment revenue and results:

The segment information for the reportable segments is as follows:

	Energy-related engineering		Real estate solutions		Geo-spatial technology		HQ activities		Elimination		Group	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Revenue												
External sales	**190,264**	197,579	**255,389**	209,165	**110,643**	106,923	**-**	-	**-**	-	**556,296**	513,667
Dividend income	**-**	-	**-**	-	**-**	-	**22,270**	44,801	**(22,161)**	(44,763)	**109**	38
Total revenue	**190,264**	197,579	**255,389**	209,165	**110,643**	106,923	**22,270**	44,801	**(22,161)**	(44,763)	**556,405**	513,705
Results												
Segment result	**33,685**	26,010	**32,371**	38,954	**21,582**	22,757	**20,476**	45,080	**(22,161)**	(44,763)	**85,953**	88,038
Interest income	**39**	12	**2,960**	1,167	**1,140**	2,438	**1,900**	1,224	**(821)**	(1,410)	**5,218**	3,431
Finance expense											**(2,190)**	(832)
Profit before income tax											**88,981**	90,637
Income tax expense											**(22,632)**	(16,591)
Total Profit											**66,349**	74,046

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 2. Segment result represents profit earned by each segment without allocation of finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

40. SEGMENT INFORMATION (cont'd)

(a) Segment revenue and results: (cont'd)

	Energy-related engineering		Real estate solutions		Geo-spatial technology		HQ activities		Group	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Depreciation expense	**1,631**	1,667	**4,246**	4,772	**1,436**	1,518	**514**	426	**7,827**	8,383
Impairment loss of goodwill	**-**	-	**-**	-	**1,363**	-	**-**	-	**1,363**	-
Gain on disposal of assets held for sale	**-**	-	**-**	(5,309)	**-**	-	**-**	-	**-**	(5,309)
Loss on disposal of subsidiaries	**(5)**	1,560	**-**	(79)	**-**	14	**48**	-	**43**	1,495
Gain on disposal of available-for-sale financial assets	**-**	-	**-**	-	**-**	-	**(3,528)**	(4,214)	**(3,528)**	(4,214)
Share of loss of associated companies and joint ventures	**-**	-	**1,218**	572	**-**	-	**-**	-	**1,218**	572
Fair value (gains)/losses on foreign exchange contracts and financial assets held for trading	**(1,514)**	-	**-**	-	**(1,409)**	1,413	**733**	(198)	**(2,190)**	1,215

(b) Segment assets and liabilities

	Energy-related engineering		Real estate solutions		Geo-spatial technology		HQ activities		Group	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Segment assets										
Segment assets	**173,528**	171,885	**466,331**	292,536	**77,417**	79,955	**118,838**	129,565	**836,114**	673,941
Investments in associated companies	**2,667**	2,787	**1,094**	1,172	**-**	-	**-**	-	**3,761**	3,959
Investment in joint ventures	**-**	-	**10,728**	4,467	**-**	-	**-**	-	**10,728**	4,467
Deferred income tax assets									**2,333**	2,734
Total assets									**852,936**	685,101
Additions to:										
- property, plant and equipment	**816**	536	**324**	281	**1,255**	1,352	**1,375**	675	**3,770**	2,844
- investment properties	**-**	-	**54,880**	80,593	**-**	-	**-**	-	**54,880**	80,593
- intangible assets	**-**	867	**-**	-	**-**	-	-	-	**-**	867
- investments in associated companies	**-**	-	**-**	1,348	**-**	-	**-**	-	**-**	1,348
- investments in joint ventures	**-**	-	**7,435**	4,863	**-**	-	**-**	-	**7,435**	4,863
Segment liabilities										
Segment liabilities	**72,563**	76,239	**314,713**	173,246	**45,701**	48,808	**9,401**	8,099	**442,378**	306,492
Income tax payable/ Deferred income tax liabilities									**20,106**	16,909
Total liabilities									**462,484**	323,401

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

40. SEGMENT INFORMATION (cont'd)

(b) Segment assets and liabilities (cont'd)

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible, intangible and financial assets as well as the financial liabilities attributable to each segment.

Other than deferred income tax assets, all assets are allocated to reportable segments. Goodwill has been allocated to reportable segments as described in Note 23(a).

All liabilities are allocated to reportable segments other than income tax payable and deferred income tax liabilities.

(c) Revenue from core businesses:

	Group	
	2015 $'000	**2014 $'000**
Energy-related engineering	**190,264**	197,579
Real estate solutions	**255,389**	209,165
Geo-spatial technology	**110,643**	106,923
HQ activities	**109**	38
	556,405	513,705

(d) Geographical information

The Group operates in 5 primary geographical areas – Asia Pacific, Australia, North and South America, Middle East and Africa, Europe and Others.

The Group's revenue from external customers and non-current assets (excluding financial instruments and deferred tax income assets) by geographical locations is as follows:

	Asia Pacific		Australia		North and South America		Europe		Middle East and Africa		Group	
	2015 $'000	**2014 $'000**	**2015 $'000**	**2014 $'000**	**2015 $'000**	**2014 $'000**	**2015 $'000**	**2014 $'000**	**2015 $'000**	**2014 $'000**	**2015 $'000**	**2014 $'000**
Revenue from external customers	**331,456**	283,937	**90,037**	104,968	**38,160**	78,046	**54,769**	33,186	**41,983**	13,568	**556,405**	513,705
Non-current assets	**183,539**	126,685	**4,325**	6,559	**3**	6	**5,895**	6,087	**9**	39	**193,771**	139,376

(e) Information about major customers

There is 1 (2014: Nil) customer from the Group's real estate segment representing more than 10% of the Group's revenue. The customer contributes $97,029,000 (2014: Nil) in revenue to the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

41. EVENTS OCCURRING AFTER STATEMENT OF FINANCIAL POSITION DATE

(a) On 1 April 2015, the Company completed the disposal of approximately 5.27% of the total issued share capital of Perennial Tongzhou Development Pte. Ltd. to a wholly-owned subsidiary, Boustead Projects Limited ("BPL"), for an approximate consideration sum of $20,478,000, equivalent to the carrying value of the investment recorded on the Company's statement of financial position.

(b) On 23 April 2015, BPL's 15 million issued ordinary shares in issue were sub-divided into 320 million shares and each share ranks pari passu with each other.

(c) On 28 April 2015, BPL declared interim dividends amounting to $80,000,000, which was settled by offsetting receivables from the Company [Note 41(d)].

(d) On 29 April 2015, the amount of $122,930,000 owing by the Company to BPL was settled by (i) offsetting of amounts receivable from BPL amounting to $118,706,000 as at that date; and (ii) cash payment of $4,224,000. The amounts receivable from BPL comprised mainly dividends receivable [Note 41(c)], consideration receivable for the disposal of five subsidiaries by the Company (Note 26), and consideration receivable for a subsequent disposal of an available-for-sale financial asset by the Company and settlement of intercompany balances.

(e) On 30 April 2015, BPL's shares were listed on the SGX-ST following a restructuring exercise of BPL (Note 26), and a distribution in specie of 48.8% of the shares of BPL held by the Company to its shareholders was completed. As a result of it, the Company's equity holding in BPL has been diluted to 51.2%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

42. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2015 or later periods and which the Group has not early adopted:

- **FRS 102 *Share-based Payment*** (effective for annual periods beginning on or after 1 July 2014)

  The amendment clarifies the definition of vesting condition and separately defines 'performance condition' and 'service condition'. The Group will apply this amendment from 1 April 2015, but this is not expected to have any significant impact on the financial statements of the Group.

- **FRS 103 *Business Combinations*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in FRS 32, *Financial instruments: Presentation*. The standard is further amended to clarify that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss.

  The standard is also amended to clarify that FRS 103 does not apply to the accounting for the formation of any joint arrangement under FRS 111. The amendment also clarifies that the scope exemption only applies in the financial statements of the joint arrangement itself.

  The Group will apply this amendment for business combinations taking place on/after 1 April 2015.

- **FRS 40 *Investment Property*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to clarify that FRS 40 and FRS 103 are not mutually exclusive. The guidance in FRS 40 assists preparers to distinguish between investment property and owner-occupied property. Preparers also need to refer to the guidance in FRS 103 to determine whether the acquisition of an investment property is a business combination.

  The Group will apply this amendment from 1 April 2015. This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

- **FRS 108 *Operating Segments*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to require disclosure of the judgements made by management in aggregating operating segments. This includes a description of the segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics.

  The standard is further amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported.

  The Group will apply this amendment from 1 April 2015. This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

- **FRS 24 *Related Party Disclosures*** (effective for annual periods beginning on or after 1 July 2014)

  The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity ('the management entity').

  The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided.

  The Group will apply this amendment from 1 April 2015. This amendment will not result in any changes to the Group's accounting policies but will require more disclosures in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

42. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS (cont'd)

- **FRS 113 *Fair Value Measurement*** (effective for annual periods beginning on or after 1 July 2014)

  The amendment clarifies that the portfolio exception in FRS 113, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of FRS 39.

  The Group will apply this amendment from 1 April 2015. This amendment is not expected to have any significant impact on the financial statements of the Group.

- **FRS 115 *Revenue from Contracts with Customers*** (effective for annual periods beginning on or after 1 January 2017)

  This standard replaces FRS 18 *Revenue* and FRS 11 *Construction Contracts* and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

  The Group will apply the standard from 1 April 2017. The Group is still assessing the impact of FRS 115.

- **FRS 109 *Financial Instruments*** (effective for annual periods beginning on or after 1 January 2018)

  This standard replaces the guidance in FRS 39 *Financial Instruments: Recognition and Measurement* that relates to the classification and measurement of financial assets, and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income, and fair value through profit and loss.

  The Group will apply the standard from 1 April 2018. The Group is still assessing the impact of FRS 109.

- **FRS 19 (R) *Employee Benefits – Defined Benefit Plans: Employee Contributions*** (effective for annual periods beginning on or after 1 July 2014)

  The amendment clarifies the accounting by entities with plans that require contributions linked only to service in each period.

  Entities with plans that require contributions that vary with service will be required to recognise the benefit of those contributions over employees' working lives. Management should consider how it will apply that model. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided.

  The Group will apply this amendment from 1 April 2015. This amendment is not expected to have any significant impact on the financial statements of the Group.

43. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Boustead Singapore Limited on 30 June 2015.

MANAGEMENT & PRINCIPAL ACTIVITIES

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Executive Directors: Loh Kai Keong, Wong Yu Loon

ENGINEERING SERVICES

ENERGY-RELATED ENGINEERING

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Managing Director: David Miller

Boustead International Heaters ("BIH") is a leading global specialist in designing, engineering and supplying direct-fired process heater systems, waste heat recovery units ("WHRUs") and once through steam generators to the downstream oil & gas and petrochemical industries. In recent years, BIH has established a strong reputation in delivering WHRUs to the upstream oil & gas and power industries as well.

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Chief Executive Officer: Prasun Chakraborty

Controls & Electrics ("C&E") is a well-recognised leader in designing, engineering and supplying wellhead control panels and systems which use either pneumatic/hydraulic-based or safety programmable logic controller-based logic, hydraulic power units, integrated control & safety shutdown systems, chemical injection skids, fire & gas detection systems and other process control systems to the upstream oil & gas industries. C&E also supplies fuel skids, instrumentation equipment and burner management systems to sister companies such as BIH.

MANAGEMENT & PRINCIPAL ACTIVITIES

Boustead Salcon Water Solutions Pte Ltd
82 Ubi Avenue 4, #08-03
Edward Boustead Centre
Singapore 408832

Main: +65 6846 9988
Fax: +65 6747 8878
Web: www.bousteadsalcon.com

Chief Executive Officer: Michael Teo

Boustead Salcon Water Solutions ("BSWS") is a leading global water & wastewater engineering specialist for the energy sector and Singapore's largest ion exchange specialist in the energy sector. BSWS' in-depth domain expertise and vast experience focuses on seawater desalination, ion exchange and wastewater recycling. With more than 800 installations in 60 countries worldwide, BSWS has delivered projects across the oil & gas, petrochemical, pharmaceutical, power, semiconductor and special defence industries, as well as for municipal authorities. BSWS is approved by the Building & Construction Authority ("BCA") of Singapore for Grade ME11-L6 to execute mechanical and electrical contracts of unlimited value. In addition, BSWS has the outstanding distinction of being one of an exclusive group of Asian specialists outside of Japan to be a pre-qualified vendor to several of the world's largest engineering, procurement & construction corporations.

PT Boustead Maxitherm Industries
Graha Pratama Building, 15th Floor
Jalan Letjend MT Haryono Kav 15
Tebet, Jakarta 12810
Indonesia

Main: +62 21 8379 3678
Fax: +62 21 8379 3648
Web: www.bousteadmaxitherm.com

Project Director: Woo Chew Fay

Boustead Maxitherm Industries is an established regional specialist in designing, engineering and supplying mini-power plants, solid waste energy recovery plants and associated combustion technology.

REAL ESTATE SOLUTIONS

Boustead Projects Limited (listed on Main Board of SGX)
82 Ubi Avenue 4, #07-01
Edward Boustead Centre
Singapore 408832

Main: +65 6748 3945
Fax: +65 6748 9250
Web: www.bousteadprojects.com

Managing Director: Thomas Chu
Executive Director: Wong Yu Wei

Boustead Projects Limited 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, Boustead Projects Limited has constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Boustead Projects Limited is approved by the BCA for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value. Boustead Projects Limited is a leader in pioneering advanced environmentally-sustainable facilities under the BCA's Green Mark Programme and U.S. Green Building Council's Leadership in Energy & Environmental Design Programme. In Singapore, Boustead Projects Limited is one of only 10 bizSAFE Mentors and also a bizSAFE Star.

MANAGEMENT & PRINCIPAL ACTIVITIES

GEO-SPATIAL TECHNOLOGY

Esri Australia Pty Ltd
Level 3, 111 Elizabeth Street
Brisbane QLD 4000
PO Box 15459
Brisbane City East QLD 4002
Australia

Main: +61 7 3218 4100
Fax: +61 7 3211 1310
Web: www.esriaustralia.com.au

Managing Director: Brett Bundock

Esri Australia is the exclusive distributor for Esri geographic information systems ("GIS") in Australia and has branch offices in Brisbane, Adelaide, Canberra, Darwin, Melbourne, Perth and Sydney. Esri Australia also provides professional services, training, software maintenance services and hosted solutions for the Esri ArcGIS platform.

Esri South Asia Pte Ltd
82 Ubi Avenue 4, #07-03
Edward Boustead Centre
Singapore 408832

Main: +65 6742 8622
Fax: +65 6742 1922
Web: www.esrisa.com

Managing Director: Leslie Wong

Esri South Asia is the holding company for Esri Singapore, Esri Malaysia and Esri Indonesia, the exclusive distributors for Esri GIS in Singapore, Malaysia and Indonesia respectively. Additionally, Esri South Asia is the exclusive distributor for Esri GIS in Bangladesh, Brunei and Timor-Leste. Esri South Asia also provides professional services, training, software maintenance services and hosted solutions for the Esri ArcGIS platform.

Esri Singapore Pte Ltd
82 Ubi Avenue 4, #07-03
Edward Boustead Centre
Singapore 408832

Main: +65 6742 8622
Fax: +65 6742 1922
Web: www.esrisingapore.com.sg

Chief Executive Officer: Thomas Pramotedham

Esri Singapore is the exclusive distributor for Esri GIS in Singapore. Esri Singapore also provides professional services, training, software maintenance services and hosted solutions for the Esri ArcGIS platform.

MANAGEMENT & PRINCIPAL ACTIVITIES

Esri Malaysia Sdn Bhd
Suite 10-01-02, Level 10
PJX-HM Shah Tower
16A Persiaran Barat
Petaling Jaya
46050 Selangor
Malaysia

Main: +60 3 7629 5518
Fax: +60 3 7629 5520
Web: www.esrimalaysia.com.my

Chief Executive Officer: Lai Chee Siew

Esri Malaysia is the exclusive distributor for Esri GIS in Malaysia. Esri Malaysia also provides professional services, training, software maintenance services and hosted solutions for the Esri ArcGIS platform.

PT Esri Indonesia
Menara 165, 6th Floor Unit B
Jalan TB Simatupang Kav 1
Jakarta Selatan 12560
Indonesia

Main: +62 21 2940 6355
Fax: +62 21 2940 6356
Web: www.esriindonesia.co.id

Chief Executive Officer: Bima Priadi

Esri Indonesia is the exclusive distributor for Esri GIS in Indonesia. Esri Indonesia also provides professional services, training, software maintenance services and hosted solutions for the Esri ArcGIS platform.

STATISTICS OF SHAREHOLDINGS
AS AT 18 JUNE 2015

SHARE CAPITAL

Number of ordinary shares	:	518,866,111*
Number/Percentage of treasury shares	:	17,449,323 (3.36%)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share. The Company cannot exercise any voting rights in respect of shares held by it as treasury shares.

* *Excludes treasury shares*

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%**
1 - 99	95	2.22	3,520	0.00
100 - 1,000	342	7.99	247,860	0.05
1,001 - 10,000	2,389	55.79	12,650,685	2.44
10,001 - 1,000,000	1,430	33.39	74,965,004	14.45
1,000,001 AND ABOVE	26	0.61	430,999,042	83.06
TOTAL	**4,282**	**100.00**	**518,866,111**	**100.00**

LOCATION OF SHAREHOLDERS

Country	No. of Shareholders	%	No. of Shares	%**
SINGAPORE	3,947	92.18	508,466,287	98.00
MALAYSIA	267	6.23	8,322,583	1.60
OTHERS	68	1.59	2,077,241	0.40
TOTAL	**4,282**	**100.00**	**518,866,111**	**100.00**

STATISTICS OF SHAREHOLDINGS

AS AT 18 JUNE 2015

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%**
1	HSBC (Singapore) Nominees Pte Ltd	262,223,808	50.54
2	Citibank Nominees Singapore Pte Ltd	64,367,406	12.41
3	DBS Nominees (Private) Limited	34,772,084	6.70
4	Raffles Nominees (Pte) Limited	12,721,625	2.45
5	United Overseas Bank Nominees (Private) Limited	7,564,985	1.46
6	Maybank Kim Eng Securities Pte Ltd	7,539,595	1.45
7	DBSN Services Pte Ltd	5,665,855	1.09
8	Helen Tan Cheng Hoong	5,166,000	1.00
9	Yeo Ker Kuang	4,012,559	0.77
10	Wong Heng Chong	3,545,113	0.68
11	DBS Vickers Securities (Singapore) Pte Ltd	2,150,076	0.41
12	Chang Ching Chau @ Tew King Chang	2,128,503	0.41
13	Chan Chee Weng	1,700,506	0.33
14	Wee Wei Na	1,642,329	0.32
15	Yeo Boon Li Caroline	1,526,058	0.29
16	Law Yet Lan	1,478,528	0.28
17	BNP Paribas Securities Services Singapore Branch	1,406,343	0.27
18	Phillip Securities Pte Ltd	1,403,769	0.27
19	Yeo Boon Teck	1,339,000	0.26
20	Ho Chee Poey	1,316,455	0.25
	Total	**423,670,597**	**81.64**

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest	%	Deemed Interest	%**
Wong Fong Fui	-	-	175,634,448 (1)	33.85
Sri Widati Ernawan Putri	-	-	46,778,651 (2)	9.02
Marrickville Group Limited	-	-	46,778,651 (1)	9.02
Chartered Asset Management Pte Ltd	-	-	37,264,818 (1)	7.18
Capital Growth Investments Pte Ltd	-	-	37,264,818 (3)	7.18
Colin Lee Yung-Shih	-	-	37,264,818 (4)	7.18
Low Siew Kheng	-	-	37,264,818 (5)	7.18
CAM-GTF Limited	-	-	26,832,484 (1)	5.17

Notes:

(1) The deemed interests of these Substantial Shareholders are held through nominees.

(2) Sri Widati Ernawan Putri is deemed interested in the shares held by Marrickville Group Limited.

(3) Capital Growth Investments Pte Ltd ("CGIPL") is deemed to be interested in the shares held indirectly by its subsidiary, Chartered Asset Management Pte Ltd ("CAMPL").

(4) Colin Lee Yung-Shih, through his 100% shareholding in CGIPL, is deemed to have an interest in the shares held indirectly by CGIPL.

(5) Low Siew Kheng, through her not less than 20% shareholding in CAMPL, is deemed to have an interest in the shares held indirectly by CAMPL.

SHAREHOLDINGS IN THE HANDS OF THE PUBLIC

The percentage of shareholdings in the hands of the public as at 18 June 2015 was approximately 38.14%**. This is in compliance with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, which requires at least 10% of the issued ordinary shares of the Company to be held by the public.

** The percentage of issued ordinary shares is calculated based on the total number of issued shares, excluding treasury shares of the Company.

NOTICE OF ANNUAL GENERAL MEETING

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Boustead Singapore Limited (the "Company") will be held at Room 328 - 329, Level 3, Suntec Singapore Convention and Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Thursday, 30 July 2015 at 2.30 p.m. to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive the audited financial statements for the year ended 31 March 2015 and the Directors' Report and the Independent Auditors' Report. **Resolution 1**

2. To approve a final tax-exempt (one-tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2015. **Resolution 2**

3. To re-elect the following directors retiring under Article 94 of the Company's Articles of Association.

   a. Mr Chong Ngien Cheong **Resolution 3**
   b. Mr Goh Boon Seong **Resolution 4**

   Notes:
   Mr Chong Ngien Cheong will, upon re-election as a director of the Company, remain as the Chairman of the Nominating Committee and member of the Audit & Risk Committee and Remuneration Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

   Mr Goh Boon Seong will, upon re-election as a director of the Company, remain as the Chairman of the Audit & Risk Committee and member of the Nominating Committee and Remuneration Committee. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

4. To re-elect Mr Wong Fong Fui pursuant to Section 153(6) of the Singapore Companies Act. **Resolution 5**

5. To approve directors' fees of up to $217,000 for the financial year ending 31 March 2016, payable quarterly in arrears (2015 actual: $284,000).
   [See Explanatory Note 1] **Resolution 6**

6. To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company to hold office until the next Annual General Meeting and to authorise the directors to fix their remuneration. **Resolution 7**

AS SPECIAL BUSINESS

To consider and, if thought fit to pass with or without modifications, the following ordinary resolutions:

7. **Authority to allot and issue shares pursuant to Section 161 of the Singapore Companies Act**

   That authority be and is hereby given to the directors of the Company to:

   (i) (a) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or

   (b) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and

   (ii) (notwithstanding the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the directors of the Company while this resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

provided that:

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed twenty per cent (20%) of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this resolution is passed, after adjusting for:

(a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this resolution is passed; and

(b) any subsequent bonus issue or consolidation or subdivision of shares;

(iii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and

(iv) (unless revoked or varied by the Company in general meeting) the authority conferred by this resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note 2] **Resolution 8**

8. **Authority to grant awards under the Boustead Restricted Share Plan 2011**

That authority be and is hereby given to the directors of the Company to grant awards in accordance with the provisions of the Boustead Restricted Share Plan 2011 and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the grant of awards under the Boustead Restricted Share Plan 2011, provided that the aggregate number of new shares to be issued pursuant to the Boustead Restricted Share Plan 2011 shall not exceed ten per cent (10%) of the issued ordinary share capital of the Company (excluding treasury shares) from time to time.

[See Explanatory Note 3] **Resolution 9**

9. **Authority to allot and issue shares under the Boustead Scrip Dividend Scheme**

That authority be and is hereby given to the directors of the Company to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the application of the Boustead Scrip Dividend Scheme.

[See Explanatory Note 4] **Resolution 10**

10. To transact any other business of the Company which may arise.

NOTICE OF ANNUAL GENERAL MEETING

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

NOTICE OF BOOKS CLOSURE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 11 August 2015 for the purpose of determining shareholders' entitlements to the final dividend to be paid on 20 August 2015, subject to and contingent upon shareholders' approval for the proposed dividend being obtained at the forthcoming Annual General Meeting of the Company.

Duly completed transfers received by the Company's Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5.00 p.m. on 6 August 2015 will be registered before entitlements to the dividend are determined.

By Order of the Board

Alvin Kok
Company Secretary
10 July 2015

Explanatory Notes on Ordinary and Special Businesses to be transacted

1. The Ordinary Resolution 6 is to allow the Company to pay directors' fees to all independent non-executive directors in arrears on a quarterly basis.

2. The Ordinary Resolution 8 is to enable the directors to issue shares in the Company up to 50% of the total number of issued shares excluding treasury shares in the capital of the Company (in the case of issuance other than on a pro-rata basis to existing shareholders, such aggregate number of shares not to exceed 20% of the total number of issued shares excluding treasury shares in the capital of the Company) for such purposes as they consider to be in the interests of the Company.

3. The Ordinary Resolution 9 is to allow the directors to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011.

4. The Ordinary Resolution 10 is to allow the directors to issue shares pursuant to the Boustead Scrip Dividend Scheme.

Notes:

(1) A shareholder of the Company entitled to attend and vote at the Annual General Meeting of the Company ("AGM") may appoint not more than two (2) proxies to attend and vote in his/her stead. A shareholder of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a shareholder of the Company.

(2) If a proxy is to be appointed, the instrument appointing a proxy must be duly deposited at the registered office of the Company at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832 not later than 48 hours before the time appointed for the holding of the AGM.

(3) The instrument appointing a proxy must be signed by the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.

(4) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 48 hours before the time fixed for holding the AGM in order for the Depositor to be entitled to attend and vote at the AGM.

PROXY FORM

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Annual General Meeting to be held on 30 July 2015 at 2.30 p.m.
(Before completing this form, please see notes below)

IMPORTANT:

1. For investors who have used their CPF monies to buy shares in the capital of Boustead Singapore Limited, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY.**
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to vote should contact their CPF Approved Nominees.

I/We

of

being a member/members of the above-named Company, hereby appoint Mr/Mrs/Ms

Name	Address	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	Proportion of Shareholdings (%)

as my/our proxy/proxies to vote for me/us on my/our behalf and if necessary to demand a poll at the Annual General Meeting of the Company to be held on Thursday, 30 July 2015 at 2.30 p.m. and at any adjournment thereof in the manner indicated below:

	Ordinary Resolutions:	For	Against
Resolution 1	To receive the audited financial statements for the year ended 31 March 2015 and the Directors' Report and the Independent Auditors' Report.		
Resolution 2	To approve a final tax-exempt (one-tier) dividend of 2.0 cents per ordinary share for the year ended 31 March 2015.		
Resolution 3	To re-elect Mr Chong Ngien Cheong as a director of the Company.		
Resolution 4	To re-elect Mr Goh Boon Seong as a director of the Company.		
Resolution 5	To re-elect Mr Wong Fong Fui as a director of the Company.		
Resolution 6	To approve directors' fees of up to $217,000 for the year ending 31 March 2016, payable quarterly in arrears.		
Resolution 7	To re-appoint Messrs PricewaterhouseCoopers LLP as auditors of the Company and to authorise the directors to fix their remuneration.		
Resolution 8	To authorise the directors to allot and issue shares pursuant to Section 161 of the Singapore Companies Act.		
Resolution 9	To authorise the directors to grant awards and issue shares pursuant to the Boustead Restricted Share Plan 2011.		
Resolution 10	To authorise the directors to allot and issue shares pursuant to the Boustead Scrip Dividend Scheme.		

(Please indicate with a cross "X" in the spaces provided whether you wish your vote/votes to be cast for or against the Resolutions as set out in the Notice of Annual General Meeting. In the absence of specific directions, your proxy/proxies may vote or abstain as he/she thinks fit.)

Signed this day of 2015

Signature(s) of Member(s) or Common Seal

Total number of shares held	

PROXY FORM

BOUSTEAD SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197501036K)

Notes:

1. A member of the Company entitled to attend and vote at the above meeting may appoint one or two proxies to attend and vote in his/her stead. Such proxies need not be a member of the Company.

2. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.

3. This instrument of proxy must be signed by the appointer or his/her duly authorised attorney or, if the appointer is a body corporate, signed by a duly authorised officer or its attorney or affixed with its common seal thereto.

4. A body corporate which is a member may also appoint by resolution of its directors or other governing body an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Singapore Companies Act to attend and vote for and on behalf of such body corporate.

5. This instrument appointing a proxy or proxies (together with the power of attorney (if any) under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832 not less than 48 hours before the time fixed for holding the Annual General Meeting ("AGM").

6. Please insert in the space provided the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Singapore Companies Act), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this instrument of proxy shall be deemed to relate to all the shares held by you.

7. The Company shall be entitled to reject an instrument of proxy if it is incomplete, not properly completed, or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified on the instrument of proxy. In addition, in the case of a member whose shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument of proxy lodged if such member is not shown to have shares entered against his/her name in the Depository Register as at 48 hours before the time fixed for holding the above AGM, as certified by CDP to the Company.

8. Agent Banks acting on the request of CPF Investors who wish to attend the AGM as Observers are required to submit in writing, a list with details of the investor's name, NRIC/Passport number, addresses and number of shares held. The list, signed by an authorised signatory of the agent bank, should reach the Company Secretary, at the Secretary's Office at 82 Ubi Avenue 4, #08-01 Edward Boustead Centre, Singapore 408832, not less than 48 hours before the time fixed for holding the AGM.

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BOUSTEAD SINGAPORE LIMITED
Company Registration No.: 197501036K

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Edward Boustead Centre
Singapore 408832
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Fax: +65 6741 8689

www.boustead.sg