



Boustead Projects Limited
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BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR 2Q FY2018 ENDED 30 SEPTEMBER 2017

	2Q FY2018	2Q FY2017	Change	1H FY2018	1H FY2017	Change
Revenue	S\$50.1m	S\$62.2m	-19%	S\$95.8m	S\$123.1m	-22%
Gross profit	S\$18.5m	S\$15.4m	+20%	S\$33.1m	S\$28.9m	+14%
Profit before income tax ("PBT")	S\$11.8m	S\$9.1m	+30%	S\$18.9m	S\$16.5m	+15%
Total profit	S\$9.5m	S\$7.4m	+28%	S\$15.3m	S\$13.5m	+14%
Profit attributable to equity holders of the Company	S\$9.5m	S\$7.3m	+31%	S\$15.3m	S\$13.4m	+15%
- Earnings per share	3.0cts	2.3cts	+30%	4.8cts	4.2cts	+14%
- Net asset value per share				74.2cts	64.6cts	+15%

Note to Editors: The Boustead Projects Group ("BP Group")'s revenue is largely derived from project-oriented business and as such, quarterly results would not accurately reflect the full-year's performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

2Q/1H FY2018 Highlights:

- Revenue for 2Q FY2018 was 19% lower year-on-year at S\$50.1 million, due to lower revenue contributions from both the design-and-build and leasing businesses. However, total profit for 2Q FY2018 was 28% higher year-on-year at S\$9.5 million, achieved on a better overall gross margin due to productivity improvements and the unlocking of project cost savings.
- Due to the same reasons mentioned for 2Q FY2018, revenue for 1H FY2018 was 22% lower year-on-year at S\$95.8 million, while total profit for 1H FY2018 was 14% higher year-on-year at S\$15.3 million.
- The current order book backlog stands at about S\$175 million.

Singapore, 8 November 2017 – Mainboard-listed Boustead Projects Limited (“Boustead Projects” or the “BP Group”), a leading specialist in real estate solutions today announced its unaudited financial results for the second quarter and first half ended 30 September 2017 (“2Q FY2018” and “1H FY2018” respectively).

For 2Q FY2018, total revenue was 19% lower year-on-year at S\$50.1 million, due to lower revenue contributions from both the design-and-build and leasing businesses. Design-and-build revenue was 22% lower year-on-year at S\$42.2 million, as the previous year’s comparative period had more projects with greater work progress, and there was a lower total value of contracts secured during FY2017 for revenue conversion during the quarter. Leasing revenue was 5% lower year-on-year at S\$7.9 million, mainly impacted by the lack of contribution from 36 Tuas Road due to AusGroup’s early lease termination¹ in 4Q FY2017, partially offset by contribution from new leases and development management fees.

Despite the lower total revenue for 2Q FY2018, total profit was 28% higher year-on-year at S\$9.5 million, achieved on a better overall gross margin due to productivity improvements and the unlocking of project cost savings.

For 1H FY2018, total revenue was 22% lower year-on-year at S\$95.8 million, due to lower revenue contributions from both the design-and-build and leasing businesses. Due to the same reasons mentioned for 2Q FY2018, design-and-build revenue for 1H FY2018 was 25% lower year-on-year at S\$80.0 million, while leasing revenue for 1H FY2018 was 6% lower year-on-year at S\$15.8 million.

Despite the lower total revenue for 1H FY2018, total profit was 14% higher year-on-year at S\$15.3 million due to the same reasons mentioned for 2Q FY2018.

Mr Thomas Chu, Managing Director of Boustead Projects said, “We delivered a healthy set of results for the first half of FY2018, with profit growth achieved on a better overall gross margin due to productivity improvements and the unlocking of project cost savings. Looking ahead, we expect the second half of FY2018 to remain challenging. We shall emphasise on driving cost and productivity improvements. Nonetheless, with our healthy balance sheet and strong net cash position, we will continue to pursue strategies to strengthen our smart building and eco-sustainable capabilities, focus on higher value industries, and build further strategic partnerships and platforms regionally.”

At the end of 1H FY2018, the BP Group’s financial position remained healthy with cash and cash equivalents of S\$122.9 million and total equity of S\$237.0 million. Net asset value per share climbed to 74.2 cents at the end of 1H FY2018, from 71.7 cents at the end of FY2017, while the net cash position (cash and cash equivalents less total borrowings) significantly improved to S\$36.6 million at the end of 1H FY2018.

The BP Group’s current order book backlog stands at approximately S\$175 million (unrecognised project revenue remaining at the end of 2Q FY2018 plus the total value of new orders secured since then).

-- End of media release --

¹The full amount of the non-recurring compensation from the early termination of the AusGroup lease was recognised in 4Q FY2017.

About Boustead Projects Limited

Established in 1996, Boustead Projects Limited (SGX:AVM) is a leading industrial real estate solutions provider in Singapore, with core engineering expertise in the design-and-build and development of industrial facilities for multinational corporations and local enterprises. To date, we have constructed and developed more than 3,000,000 square metres of industrial real estate regionally in Singapore, China, Malaysia and Vietnam. Our wholly-owned design-and-build subsidiary, Boustead Projects E&C Pte Ltd ("BP E&C") is approved by the Building & Construction Authority ("BCA") of Singapore for Grade CW01-A1 and General Builder Class One License to execute building construction contracts of unlimited value.

Our in-depth experience in designing and constructing custom-built facilities covers the aerospace, commercial, food, healthcare and pharmaceutical, high-tech manufacturing, lifestyle, logistics, oil & gas, precision engineering, research & development, resource recovery, technology and transportation industries. We are also a leader in pioneering advanced eco-sustainable facilities under the BCA's Green Mark Programme and the US Green Building Council's Leadership in Energy & Environmental Design (LEED) Program. In Singapore, BP E&C is one of only 10 bizSAFE Mentors and also a bizSAFE Star, the highest qualification that can be attained in recognition of a company's health, safety and environmental management programmes.

On 30 April 2015, Boustead Projects listed on the SGX Mainboard.

Boustead Projects is a 51%-owned subsidiary of Boustead Singapore Limited (SGX:F9D), a progressive global infrastructure-related engineering services and geo-spatial technology group which is separately listed on the SGX Mainboard.

Visit us at www.bousteadprojects.com.

Financial Results Archive

To access the archive of financial results since the listing of Boustead Projects on the SGX, please go to: http://www.bousteadprojects.com/investor_centre/quarterly_results.asp.

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