PROPOSED TRANSACTIONS IN RELATION TO JOINT REDEVELOPMENT OF 36 TUAS ROAD

SINGAPORE, 23 JUNE 2023

1) Introduction

The Board of Directors ("Board") of Boustead Projects Limited (the "Company" and together with its subsidiaries the "Group") wishes to announce that it will be entering into various transactions in relation to Boustead Real Estate Fund ("BREF"), a private trust (wholly-owned by the Company), for the purposes of a joint redevelopment of a 59,800 square metres (in gross floor area) logistics and manufacturing facility (the "Project") at 36 Tuas Road, Singapore 638505 (the "Property") with two accredited investors (collectively, the "Investors").

In connection with the Project, the Company proposes to undertake the Proposed Sale of Units (as defined herein) and the Proposed Subscription (as defined herein) (collectively, the "Proposed Transactions").

2) Background of BREF

BREF was established in 2013 as a private trust with the investment objective to invest in, administer and manage investments relating to the Property to achieve a stable flow of recurring income and capital growth for its unitholders. Any offer of securities of BREF in any jurisdiction shall be made to restricted classes of institutional and sophisticated investors, in compliance with all applicable laws and regulations, which will not result in any registration, filing or reporting requirement on BREF, Boustead Funds Management Pte Ltd (in its capacity as manager of BREF) (the "Fund Manager") or the trustee of BREF. As BREF is a private trust, securities in the trust will not be available to subscription by the public, including the shareholders of the Company. BREF is not related to Boustead Industrial Fund.

3) Proposed Transactions

3.1) Proposed Sale of Units

In connection with the Project, the Company has entered into a units purchase agreement with each of the two Investors (the "UPAs") where the Company has agreed to sell, and the Investors have agreed to purchase, issued units in BREF ("Units") from the Company ("Proposed Sale of Units") for the aggregate consideration of S$8.9 million ("Consideration"). The Consideration was commercially agreed between the Company and the Investors following arm's length negotiations on a willing-buyer, willing-seller basis, and taking into account factors such as the net book value of the Units, the business potential of BREF and prevailing market conditions.

Based on the unaudited balance sheet of BREF as of 31 March 2023, the aggregate book value and the net tangible asset value of the Company's interests in the Units sold to the Investors pursuant to the Proposed Sale of Units are approximately a deficit of S$0.8 million.

3.2) Proposed Subscription

Concurrent with the Proposed Sale of Units, the Company has entered into a subscription agreement (the "SA") pursuant to which the Company will commit up to S$33,150,000 ("Commitment") to subscribe for and be allotted and issued units in BREF ("Proposed Subscription"). The Commitment amount was arrived based on the estimated proportionate commitment of funding by the Company to fund the Project, and taking into account the current

estimated development costs as well as estimated working capital reserve for the Project prior to stabilisation of the Project.

In connection with the Proposed Subscription, the Investors have also each entered into a subscription agreement pursuant to which each Investor has committed to subscribe for and be allotted and issued their respective proportion of Units in BREF to fund the Project.

3.3) Key Terms of UPAs and SA

The completion of the Proposed Transactions contemplated under the UPAs and the SA are conditional upon, *inter alia*, the receipt by the Fund Manager of the relevant approval letters, consents and associated documentation from JTC Corporation for the Project as set out in the UPAs and the SA.

4) Rationale for Proposed Transactions

The Proposed Transactions enable the Company to redevelop the Property to cater to the logistics and selected manufacturing sectors where there is good demand and limited supply for high quality logistics and warehousing facilities. The redevelopment, upon expected completion in the first half of 2025, will also maximise the plot ratio of the Property which had previously been underutilised.

5) Interest of Directors and Substantial Shareholders

Save as disclosed above and save for their respective shareholdings in the Company, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect in the Proposed Transactions.

-- END OF COMPANY ANNOUNCEMENT --

By Order of the Board

Tay Chee Wah
Company Secretary

About Boustead Projects Limited

Established in 1996 and listed on the SGX Mainboard, Boustead Projects Limited (SGX:AVM) is a leading provider of innovative eco-sustainable real estate solutions with a regional presence across Singapore, China, Malaysia and Vietnam. Our core businesses are uniquely integrated to support the ecosystem of diversified classes of real estate, comprising:

- Turnkey engineering, full-fledged integrated digital delivery ("IDD"), and project and construction management encompassing design-and-build;
- Real estate development, asset and leasing management; and
- Real estate fund management including being the sponsor and manager of Boustead Industrial Fund, a scalable private real estate trust platform for business park, logistics and industrial properties, and joint owner of Echo Base-BP Capital Pte Ltd, an Asia-centric fund management and services platform focused on smart buildings and integrated developments.

To date, we have constructed and/or developed more than 3,000,000 square metres of real estate for clients including Fortune 500, S&P 500 and Euronext 100 corporations, across diverse sectors like aerospace, business park, food, healthcare and pharmaceutical, high-tech manufacturing, logistics, research & development, technology and waste management, among others. Under the Boustead Development Partnership with a reputable Middle East sovereign wealth fund, we have developed or redeveloped more than half a million square metres of real estate in Singapore including landmark developments like ALICE@Mediapolis and GSK Asia House.

Our in-house capabilities are backed by core engineering expertise, the progressive adoption of transformative methodologies including full-fledged IDD and Industry 4.0 technologies and augmented by strategic partnerships which enable the co-creation of smart, eco-sustainable and future-ready developments. Our wholly-owned Engineering & Construction subsidiary in Singapore, Boustead Projects E&C Pte Ltd ("BP E&C") is the eco-sustainability leader in pioneering Green Mark Platinum-rated new private sector industrial developments under the Building & Construction Authority ("BCA") Green Mark Certification Scheme and a national champion of best practices for transformation, quality, environmental, and workplace safety and health ("WSH") management. BP E&C's related achievements include being the first SkillsFuture Queen Bee for the built environment sector, quality leader on the BCA CONQUAS all-time top 100 industrial projects list and one of only eight bizSAFE Mentors, receiving numerous awards for exemplary WSH performance.

We were awarded the Corporate Excellence & Resilience Award at the Singapore Corporate Awards 2021 Special Edition, a recognition of our best practices in corporate governance and leadership, innovation and resilience during the COVID-19 pandemic. We were also awarded the Singapore Corporate Governance Award in the Newly Listed Category at the Securities Investors Association (Singapore) Investors' Choice Awards 2017 and are one of only 92 SGX-listed corporations on the SGX Fast Track Programme.

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

Visit us at **www.bousteadprojects.com**.

Contact Information

For investor and media enquiries related to Boustead Projects Limited, please contact:

Ms Debbie Tan
Senior Manager
Group Corporate Marketing & Investor Relations

T +65 6748 3945
D +65 6709 8111
E debbie.tan@boustead.sg