

**BOUSTEAD SINGAPORE LIMITED**  
AND ITS SUBSIDIARIES



**ENGINEERING THE WORLD OF THE FUTURE**

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

**SGXNET ANNOUNCEMENT**  
UNAUDITED RESULTS FOR 1Q FY2017  
ENDED 30 JUNE 2016



## **Corporate Profile**

Established in 1828, Boustead Singapore Limited is a progressive global service provider of infrastructure-related engineering services and geo-spatial technology. Focusing on the engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions.

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

To date, we have undertaken infrastructure-related projects in 85 countries globally.

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

Visit the Group website at [www.boustead.sg](http://www.boustead.sg).

**BOUSTEAD SINGAPORE LIMITED**  
(Company Registration No. 197501036K)

Unaudited Financial Statements and Related Announcement for the First Quarter Ended 30 June 2016

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

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

	Note	GROUP		
		30.6.16 \$'000	30.6.15 \$'000	Inc/(Dcr) %
<b>Revenue</b>		113,706	116,730	-3%
<b>Cost of sales</b>		(77,744)	(79,689)	-2%
<b>Gross profit</b>		35,962	37,041	-3%
Other income	1	1,324	1,627	-19%
Other gains and losses	2	883	(2,609)	NM
Expenses				
- Selling and distribution		(7,852)	(7,720)	2%
- Administrative		(15,331)	(14,723)	4%
- Finance		(671)	(1,146)	-41%
Share of loss of associated companies and joint ventures		(444)	(329)	35%
<b>Profit before income tax</b>	3	13,871	12,141	14%
Income tax expense	4	(3,385)	(3,248)	4%
<b>Total profit</b>		10,486	8,893	18%
Profit attributable to:				
Equity holders of the Company		6,989	6,320	11%
Non-controlling interests		3,497	2,573	36%
		10,486	8,893	18%

NM – not meaningful

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

	GROUP		
	First quarter ended		
	30.6.16	30.6.15	Inc/(Dcr)
	\$'000	\$'000	%
<b>Total profit</b>	10,486	8,893	18%
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Available-for-sale financial assets			
- Fair value gains/(losses)	81	(48)	NM
Currency translation differences arising from consolidation	(3,630)	821	NM
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Actuarial loss	(106)	(122)	-13%
<b>Other comprehensive (loss)/ income, net of tax</b>	<b>(3,655)</b>	<b>651</b>	<b>NM</b>
<b>Total comprehensive income</b>	<b>6,831</b>	<b>9,544</b>	<b>-28%</b>
Total comprehensive income attributable to:			
Equity holders of the Company	3,608	6,682	-46%
Non-controlling interests	3,223	2,862	13%
	<b>6,831</b>	<b>9,544</b>	<b>-28%</b>

NM – not meaningful

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

	GROUP		
	First quarter ended		
	30.6.16	30.6.15	Inc/(Dcr)
	\$'000	\$'000	%
<u>Note 1: Other income</u>			
Interest income	1,008	1,327	-24%
Sublease income	316	300	5%
	1,324	1,627	-19%
<u>Note 2: Other gains and losses</u>			
Fair value gains/(losses) on foreign exchange contracts and financial assets held for trading	520	(211)	NM
Loss on disposal of available-for-sale financial assets	(104)	-	NM
Currency exchange gains/(losses) – net	467	(2,398)	NM
	883	(2,609)	NM
<u>Note 3: The profit before income tax is arrived at after (charging)/crediting the following:</u>			
Depreciation expense	(2,619)	(2,699)	-3%
Loss on disposal of property, plant and equipment	-	(23)	-100%
Amortisation of other intangible assets	(54)	-	NM
<u>Note 4: Income tax expense</u>			
The provision for income tax is made after taking into account non-deductible expenses and temporary differences and based on the statutory tax rates of the respective countries. For the current period, the Group's income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17%, mainly due to certain expenses which are not deductible for tax purposes and overseas subsidiaries' profits which are subject to higher tax rates.			

NM – not meaningful

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

**Statements of Financial Position**

	Note	GROUP		COMPANY	
		30.6.16 \$'000	31.3.16 \$'000	30.6.16 \$'000	31.3.16 \$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		271,518	259,069	63,062	61,044
Trade receivables		111,167	102,558	-	-
Other receivables and prepayments		38,678	37,812	12,792	14,314
Financial assets held for trading		948	970	948	970
Loans to subsidiaries		-	-	15,367	13,150
Inventories		5,228	5,552	-	-
Properties held for sale		30,364	30,413	-	-
Contracts work-in-progress		38,325	34,962	-	-
Available-for-sale financial assets		7,535	13,557	7,535	13,557
Foreign exchange contracts		56	68	46	56
		503,819	484,961	99,750	103,091
<b>Non-current assets</b>					
Other receivables and prepayments		3,919	3,827	-	-
Available-for-sale financial assets		66,171	61,576	27,781	23,185
Property, plant and equipment		13,678	14,565	-	-
Investment properties		144,457	146,182	-	-
Other intangible assets		1,097	1,186	74	74
Investments in associated companies		-	200	-	-
Investments in joint ventures		13,585	13,755	-	-
Investments in subsidiaries		-	-	79,424	79,465
Deferred income tax assets		2,239	2,369	-	-
		245,146	243,660	107,279	102,724
<b>Total assets</b>		748,965	728,621	207,029	205,815
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables		200,341	183,378	1,360	1,344
Income tax payable		12,481	11,590	-	255
Loans from subsidiaries		-	-	35,542	33,987
Contracts work-in-progress		11,823	15,900	-	-
Borrowings	1(b)(ii)	5,095	5,095	-	-
Foreign exchange contracts		930	1,580	542	575
		230,670	217,543	37,444	36,161
<b>Non-current liabilities</b>					
Trade and other payables		8,899	7,212	-	-
Borrowings	1(b)(ii)	87,080	88,354	-	-
Pension liability		2,780	2,740	-	-
Deferred income tax liabilities		2,968	3,035	-	-
		101,727	101,341	-	-
<b>Total liabilities</b>		332,397	318,884	37,444	36,161
<b>NET ASSETS</b>		416,568	409,737	169,585	169,654
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital		104,555	104,555	104,555	104,555
Treasury shares		(12,309)	(12,600)	(12,309)	(12,600)
Other reserves		(28,618)	(25,052)	2,313	2,523
Retained profits		244,822	237,939	75,026	75,176
		308,450	304,842	169,585	169,654
Non-controlling interests		108,118	104,895	-	-
<b>Total equity</b>	1(d)(i)	416,568	409,737	169,585	169,654

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

Amount repayable within one year or less, or on demand

<b>As at 30.6.16 \$'000</b>		<b>As at 31.3.16 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
5,095	-	5,095	-

Amount repayable after one year

<b>As at 30.6.16 \$'000</b>		<b>As at 31.3.16 \$'000</b>	
Secured	Unsecured	Secured	Unsecured
87,080	-	88,354	-

Total borrowings of \$92,175,000 (31.3.16: \$93,449,000) are secured over properties held for sale and investment properties of the Group.

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

**Consolidated Statement of Cash Flows**

	<b>GROUP</b>	
	<b>First quarter ended 30.6.16 \$'000</b>	<b>30.6.15 \$'000</b>
<b>Cash flows from operating activities</b>		
Profit before income tax	13,871	12,141
Adjustments for:		
- Share of loss of associated companies and joint ventures	444	329
- Depreciation expense	2,619	2,699
- Amortisation of other intangible assets	54	-
- Loss on disposal of property, plant and equipment	-	23
- Loss on disposal of available-for-sale investments	104	-
- Fair value (gains)/losses on foreign exchange contracts and financial assets held for trading	(520)	211
- Finance expenses	671	1,146
- Interest income	(1,008)	(1,327)
- Unrealised currency translation (gains)/losses	(1,645)	2,921
	14,590	18,143
Change in working capital, net of effects from acquisition and disposal of subsidiaries:		
- Receivables	(12,294)	(20,409)
- Inventories and contracts work-in-progress	(7,116)	3,316
- Payables	18,631	(108)
Cash provided by operations	13,811	942
Interest received	1,008	1,327
Interest paid	(671)	(1,146)
Income tax paid	(2,431)	(3,011)
<b>Net cash provided by/(used in) operating activities</b>	<b>11,717</b>	<b>(1,888)</b>



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

**Consolidated Statement of Cash Flows (cont'd)**

	<b>GROUP</b>	
	<b>First quarter ended 30.6.16 \$'000</b>	<b>30.6.15 \$'000</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	195
Proceeds from disposal of available-for-sale financial assets	6,790	-
Purchase of property, plant and equipment	(633)	(1,445)
Purchase of available-for-sale financial assets	(5,393)	(1,426)
Proceeds from repayment of loan by a joint venture	2,727	-
Loans to joint ventures	-	(8,041)
<b>Net cash provided by/(used in) investing activities</b>	<b>3,491</b>	<b>(10,717)</b>
<b>Cash flows from financing activities</b>		
Repurchase of shares	-	(2,381)
Repayment of borrowings	(1,274)	(2,264)
Dividends paid to non-controlling interests	-	(1,594)
<b>Net cash used in financing activities</b>	<b>(1,274)</b>	<b>(6,239)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>13,934</b>	<b>(18,844)</b>
<b>Cash and cash equivalents</b>		
Beginning of financial period	259,069	260,053
Effects of currency translation on cash and cash equivalents	(1,485)	(2,511)
<b>End of financial period</b>	<b>271,518</b>	<b>238,698</b>

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

	(-----Other reserves-----)							Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000				
<b>GROUP</b>											
Balance at 1 April 2016	104,555	(12,600)	303	(9,004)	514	(16,865)	(25,052)	237,939	304,842	104,895	409,737
Profit for the period	-	-	-	-	-	-	-	6,989	6,989	3,497	10,486
Other comprehensive income/(loss) for the period	-	-	81	-	-	(3,356)	(3,275)	(106)	(3,381)	(274)	(3,655)
Total other comprehensive income/(loss) for the period	-	-	81	-	-	(3,356)	(3,275)	6,883	3,608	3,223	6,831
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	-	(291)	-	-	-	-
Balance at 30 June 2016	104,555	(12,309)	384	(8,781)	-	(20,221)	(28,618)	244,822	308,450	108,118	416,568

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

	(-----Other reserves-----)							Retained profits \$'000	Equity attributable to equity holders of the Company \$'000	Non-controlling interests \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000	Foreign currency translation reserve \$'000	Subtotal \$'000				
<b>GROUP</b>											
Balance at 1 April 2015	101,324	(10,263)	493	(9,703)	358	(12,412)	(21,264)	310,199	379,996	10,456	390,452
Profit for the period	-	-	-	-	-	-	-	6,320	6,320	2,573	8,893
Other comprehensive (loss)/income for the period	-	-	(48)	-	-	532	484	(122)	362	289	651
Total other comprehensive (loss)/income for the period	-	-	(48)	-	-	532	484	6,198	6,682	2,862	9,544
Employee share-based compensation											
- Treasury shares re-issued	-	176	-	182	(358)	-	(176)	-	-	-	-
Dividends											
- In cash	-	-	-	-	-	-	-	-	-	(1,384)	(1,384)
- <i>In specie</i>	-	-	-	-	-	-	-	(84,291)	(84,291)	84,291	-
Repurchase of shares	-	(2,381)	-	-	-	-	-	-	(2,381)	-	(2,381)
	-	(2,205)	-	182	(358)	-	(176)	(84,291)	(86,672)	82,907	(3,765)
Balance at 30 June 2015	101,324	(12,468)	445	(9,521)	-	(11,880)	(20,956)	232,106	300,006	96,225	396,231

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

	(-----Other reserves-----)						Subtotal \$'000	Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000				
<b>COMPANY</b>									
Balance at 1 April 2016	104,555	(12,600)	303	1,706	514	2,523	75,176	169,654	
Profit for the period	-	-	-	-	-	-	(150)	(150)	
Other comprehensive income for the period	-	-	81	-	-	81	-	81	
Total other comprehensive income/(loss) for the period	-	-	81	-	-	81	(150)	(69)	
Employee share-based compensation - Treasury shares re-issued	-	291	-	223	(514)	(291)	-	-	
Balance at 30 June 2016	104,555	(12,309)	384	1,929	-	2,313	75,026	169,585	

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

	(-----Other reserves-----)						Subtotal \$'000	Retained profits \$'000	Total equity \$'000
	Share capital \$'000	Treasury shares \$'000	Fair value reserve \$'000	Capital reserve \$'000	Share-based compensation reserve \$'000				
<b>COMPANY</b>									
Balance at 1 April 2015	101,324	(10,263)	493	1,007	358	1,858	15,938	108,857	
Profit for the period	-	-	-	-	-	-	141,218	141,218	
Other comprehensive loss for the period	-	-	(48)	-	-	(48)	-	(48)	
Total other comprehensive (loss)/income for the period	-	-	(48)	-	-	(48)	141,218	141,170	
Employee share-based compensation - Treasury shares re-issued	-	176	-	182	(358)	(176)	-	-	
Dividends - <i>In specie</i>	-	-	-	-	-	-	(84,291)	(84,291)	
Repurchase of shares	-	(2,381)	-	-	-	-	-	(2,381)	
	-	(2,205)	-	182	(358)	(176)	(84,291)	(86,672)	
Balance at 30 June 2015	101,324	(12,468)	445	1,189	-	1,634	72,865	163,355	

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

During the period, the issued and paid-up capital of the Company (excluding treasury shares) increased from 522,631,530 ordinary shares to 523,043,357 ordinary shares. This resulted from the allotment of 411,827 ordinary shares under the Boustead Restricted Share Plan 2011. As at 30 June 2016, there were a total of 17,387,696 (30.6.15: 17,659,323) treasury shares.

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

	<b>As at 30.6.16</b>	<b>As at 31.3.16</b>
Total number of issued shares (excluding treasury shares)	523,043,357	522,631,530

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

On 1 April 2016, 411,827 treasury shares were utilised for the issue of 411,827 ordinary shares under the Boustead Restricted Share Plan 2011.

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

The figures have not been audited or reviewed.

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

Not applicable.

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

On 1 April 2016, the Group adopted the amended FRS that are mandatory for application for the financial year ending 31 March 2017. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS. The adoption of these amended FRS did not result in substantial changes to the accounting policies of the Group and the Company and are not expected to have a material effect on the amounts reported for the current or prior financial years.

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

None.

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

	GROUP	
	30.6.16	30.6.15
Earnings per ordinary share for the period after deducting any provision for preference dividends:-		
(i) Based on weighted average number of ordinary shares in issue (¢)	1.3	1.2
(ii) On a fully diluted basis (¢)	1.3	1.2
Weighted average number of ordinary shares in issue:		
Basic (*)	522,906,081	519,696,111
Fully diluted basis (**)	523,083,263	520,285,120

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

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

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

	GROUP		COMPANY	
	30.6.16	31.3.16	30.6.16	31.3.16
Net asset value per ordinary share based on issued shares (excluding treasury shares) as at the end of the period reported on (¢)	59.0	58.3	32.4	32.5
Number of issued shares (excluding treasury shares) as at the end of the period reported on	523,043,357	522,631,530	523,043,357	522,631,530

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

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

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

#### Overview

The Group's revenue is largely derived from project-oriented businesses and as such, quarterly results would not accurately reflect the full-year's performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

For 1Q FY2017 ended 30 June 2016, the Group registered revenue of \$113.7 million, total profit of \$10.5 million and profit attributable to equity holders of the Company ("net profit") of \$7.0 million. Although revenue was 3% lower, total profit and net profit were 18% and 11% higher year-on-year respectively. The improvements in total profit and net profit were mainly due to foreign exchange movements under other gains and losses, which when adjusted for would result in net profit being 32% lower year-on-year.

#### Division Revenue for 1Q FY2017

Division	Revenue		Favourable/ (Unfavourable)
	1Q FY2017 \$'m	1Q FY2016 \$'m	Change %
Energy-Related Engineering	26.1	34.5	-24
Real Estate Solutions	60.9	56.6	+8
Geo-Spatial Technology	26.6	25.5	+4
	113.6	116.6	-3
HQ Activities	0.1	0.1	-0
Group Total	113.7	116.7	-3

The 1Q FY2017 revenue performance of each division is summarised below.

In line with the depressed state of the global oil & gas industries, revenue at the Energy-Related Engineering Division declined 24% year-on-year to \$26.1 million. Continued delays by global oil & gas corporations in making major capital expenditure decisions affected all parts of the value chain.

Despite the challenges faced in the industrial real estate sector, the Real Estate Solutions Division (under Boustead Projects) achieved revenue of \$60.9 million, edging up 8% year-on-year. There were improvements in revenue contributions from both the design-and-build and leasing businesses.

At the Geo-Spatial Technology Division, currency headwinds continued to impact revenue but this did not prevent the division from posting a 4% increase in revenue to S\$26.6 million. In particular, Australia performed well.

#### Group Profitability for 1Q FY2017

The Group's gross margin remained comparable at 32% in 1Q FY2017 compared to 1Q FY2016. Nonetheless, the Group continues to face gross margin pressure.

Other income fell 19% due to lower interest income.



Other gains and losses reversed to a positive position of \$0.9 million, mainly due to net fair value gains on foreign exchange contracts and net currency exchange gains in 1Q FY2017, whereas there were significant net currency exchange losses in 1Q FY2016.

Overhead expenses (selling and distribution expenses of \$7.9 million and administrative expenses of \$15.3 million) rose 3% year-on-year to \$23.2 million but were under control given the Group's prudent cost management measures. Administrative expenses went up by 4% mainly due to higher property-related costs from Boustead Projects' industrial leasehold portfolio.

Finance expenses almost halved with the repayment of borrowings by Boustead Projects during FY2016. Share of loss of associated companies and joint ventures increased 35% largely due to the elimination of construction and project management profits attributable to projects which Boustead Projects has entered into with an associated company and joint ventures.

Profit before income tax ("PBT") grew 14% year-on-year to \$13.9 million, supported by other gains and losses. A breakdown of PBT by divisions is provided.

Division	PBT		Favourable/ (Unfavourable)
	1Q FY2017	1Q FY2016	Change
	\$'m	\$'m	%
Energy-Related Engineering	1.8	1.9	-5
Real Estate Solutions	7.3	6.0	+22
Geo-Spatial Technology	5.9	4.6	+28
	15.0	12.5	+20
HQ Activities	(1.1)	(0.4)	-175
Group Total	13.9	12.1	+14

Despite significant challenges, all three divisions remained profitable. However, PBT at the Energy-Related Engineering Division was boosted by a one-off foreign exchange gain of \$1.1 million within other gains and losses.

Total profit increased 18% year-on-year to \$10.5 million for reasons mentioned earlier. The effective tax rate was 24% in 1Q FY2017 compared to 27% in 1Q FY2016.

Net profit increased 11% year-on-year to \$7.0 million for reasons mentioned earlier.

### Statement of Cash Flows for 1Q FY2017

During 1Q FY2017, cash and cash equivalents (after taking into account the effects of currency translation) rose by \$12.4 million to \$271.5 million.

Net cash provided by operating activities amounted to \$11.7 million. Net cash provided by investing activities amounted to \$3.5 million, mainly as a result of \$1.4 million net proceeds from available-for-sale financial assets and a \$2.7 million repayment of loan by a joint venture. However, there was a net cash outflow for financing activities of \$1.3 million, solely for the repayment of borrowings by Boustead Projects.

### Statement of Financial Position

At the end of 1Q FY2017, the Group's financial position remained healthy.

Under assets, cash and cash equivalents improved to \$271.5 million. Trade receivables increased 8% to \$111.2 million while net contracts work-in-progress climbed 39% to \$26.5 million due to progress work for clients.

Under liabilities, total trade and other payables (both current and non-current) rose 10% to \$209.2 million largely due to increases in deferred revenue for clients and progress work by subcontractors.

Borrowings (both current and non-current) declined to \$92.2 million, due to scheduled repayment of borrowings by Boustead Projects for the industrial leasehold portfolio.

The Group's net asset value per share edged upwards to 59.0 cents at the end of 1Q FY2017 from 58.3 cents at the end of FY2016.

The Group's net cash position (i.e. net of all bank borrowings) stood at a significantly improved \$179.3 million at the end of 1Q FY2017, translating to a net cash per share position of 34.3 cents. In addition, the Group maintained \$74.7 million in available-for-sale financial assets and financial assets held for trading at the end of 1Q FY2017, of which about half of the amount is highly liquid.

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

None.

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

The Group's current order book backlog (unrecognised project revenue remaining as at end of 1Q FY2017 plus the total value of new orders secured since then) stands at \$277 million, of which \$95 million is under the Energy-Related Engineering Division and \$182 million is under the Real Estate Solutions Division.

In line with previous statements made in the FY2016 financial results announcement, results briefing and recently released annual report, the Group expects short-term performance to be impacted by the greater uncertainty posed by the current macro economic environment compounded with headwinds within the Group's respective industries. Challenging conditions in the global oil & gas industries and Singapore's industrial real estate sector are set to persist throughout FY2017. This would likely affect gross margins at the Energy-Related Engineering Division and Real Estate Solutions Division. In addition, should USD strengthen further against most of the Group's local operating currencies in the future, there could be additional negative impact on gross margins at the Geo-Spatial Technology Division.

While the Group believes it will continue to be profitable in FY2017, the level of profit may not match that of FY2016 due to the current macro economic environment.

The Group continues to search for M&A and investment opportunities across its divisions in related business fields, as well as in potential new business fields. Given the Group's significantly improved net cash position of \$179.3 million and untapped \$500 million multi-currency medium-term note programme, the Group is in an excellent position to capitalise on any good acquisition and investment opportunities that may arise, especially in a situation where the global economy takes a significant downturn.

**11. Dividend**

**(a) Current financial period reported on**

Any dividend declared for the current financial period reported on?

No.

**(b) Corresponding period of the immediately preceding financial year**

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

Yes.

Name of Dividend	Interim declared and paid
Dividend Type	Dividend <i>in specie</i> (see * below)
Dividend Amount (per ordinary share)	16.2 cents
Tax Rate	Tax exempt (1-tier)

\* 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 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 treasury shares) as at the books closure date, 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.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared/recommendeded for this period.

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

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

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

We, Wong Fong Fui and Loh Kai Keong, being two of the directors of Boustead Singapore Limited (the “Company”), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the 1Q FY2017 financial results to be false or misleading.

**15. Confirmation of Undertakings from Directors and Executive Officer**

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

On behalf of the board of directors

WONG FONG FUI  
Chairman

LOH KAI KEONG  
Director

**BY ORDER OF THE BOARD**

*Alvin Kok*  
*Company Secretary*  
12 August 2016