



Boustead Projects Limited
(Co. Reg. No. 199603900E)

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BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR 1Q FY2019 ENDED 30 JUNE 2018

	1Q FY2019	1Q FY2018	Change
Revenue	S\$48.8m	S\$45.7m	+7%
Gross profit	S\$15.7m	S\$14.5m	+8%
Profit before income tax ("PBT")	*S\$12.4m	S\$7.1m	+76%
Total profit	S\$10.0m	S\$5.8m	+73%
Total profit (adjusted for comparative review)**	S\$5.1m	S\$5.8m	-11%
Profit attributable to equity holders of Company	S\$10.0m	S\$5.8m	+73%
- Earnings per share	3.2cts	1.8cts	+78%
- Net asset value per share	85.8cts	73.6cts	+17%

Notes:

* Includes S\$5.9m gain on sale of 25 Changi North Rise, net of fees.

** Total profit adjusted for sale of 25 Changi North Rise.

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 performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

1Q FY2019 Highlights:

- Total revenue was 7% higher year-on-year at S\$48.8 million, due to higher design-and-build revenue and partially offset by lower leasing revenue.
- Total profit was 73% higher year-on-year at S\$10.0 million, mainly boosted by a non-recurring other gain from the sale of 25 Changi North Rise. After adjusting for the gain and expenses associated with the sale of 25 Changi North Rise, total profit would be 11% lower year-on-year, mainly due to higher overhead expenses and greater share of loss of an associated company and joint ventures, partially offset by higher gross profit achieved through productivity improvements and the unlocking of project cost savings.
- The current order book backlog stands at about S\$202 million.

Singapore, 10 August 2018 – 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 first quarter ended 30 June 2018 (“1Q FY2019”).

For 1Q FY2019, total revenue was 7% higher year-on-year at S\$48.8 million, due to higher design-and-build revenue and partially offset by lower leasing revenue. Total profit was 73% higher year-on-year at S\$10.0 million, mainly boosted by a non-recurring other gain from the sale of 25 Changi North Rise. After adjusting for the gain and expenses associated with the sale of 25 Changi North Rise, total profit would be 11% lower year-on-year, mainly due to higher overhead expenses and greater share of loss of an associated company and joint ventures, partially offset by higher gross profit achieved through productivity improvements and the unlocking of project cost savings.

Design-and-build revenue for 1Q FY2019 was 9% higher year-on-year at S\$41.2 million, with the healthy order book backlog carried forward at the end of FY2018 contributing to stronger revenue conversion during 1Q FY2019.

Leasing revenue for 1Q FY2019 was 5% lower year-on-year at S\$7.5 million, mainly impacted by the lease expiry of 85 Tuas South Avenue 1 in January 2018, partially offset by contributions from development management fees from the Boustead Development Partnership.

The BP Group’s overall gross profit for 1Q FY2019 increased 8% year-on-year to S\$15.7 million. The overall gross margin remained comparable year-on-year.

Total PBT for 1Q FY2019 climbed 76% year-on-year to S\$12.4 million, mainly due to the sale of 25 Changi North Rise, higher gross profit and other income, partially offset by higher overhead expenses and share of loss of an associated company and joint ventures.

Mr Thomas Chu, Managing Director of Boustead Projects said, “We delivered a decent set of results for 1Q FY2019, which was boosted by the contribution from the sale of 25 Changi North Rise. During the quarter, we managed to secure a new tenant on a long-term lease for 85 Tuas South Avenue 1, with rental cash flow expected to commence sometime in FY2020 after the completion of additions and alterations works. Separately, pre-committed take-up of space at ALICE @ Mediapolis in Singapore, and the first phase construction and marketing of the Boustead Industrial Park in Vietnam are both progressing well.”

Mr Chu added, “With a slightly better outlook for FY2019, we remain positive that our market leadership, financially-sound position and strong business development efforts will allow us to capitalise on a steady pipeline of opportunities both in Singapore and overseas. We continue to invest in smart and eco-sustainable building capabilities, drive cost and productivity improvements, and intensify our efforts in securing strategic partnerships and acquisition targets that can support our market expansion and extend our capabilities.”

At the end of 1Q FY2019, the BP Group’s financial position remained healthy with cash and cash equivalents of S\$129.0 million and total equity of S\$265.4 million. Net asset value per share climbed to 85.8 cents at the end of 1Q FY2019, from 79.0 cents at the end of FY2018, while the net cash position (cash and cash equivalents less total borrowings) strengthened to S\$59.8 million at the end of 1Q FY2019.

The BP Group’s current order book backlog (unrecognised project revenue remaining at the end of 1Q FY2019 plus the total value of new orders secured since then) stands at approximately S\$202 million.

-- End of media release --

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, business park and commercial, food, healthcare and pharmaceutical, high-tech manufacturing, info-communications, lifestyle, logistics, oil & gas, precision engineering, research & development, technology and waste management 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 workplace safety and health ("WSH") management programmes. Our WSH efforts have been further recognised with five prestigious Workplace Safety & Health Performance (Silver) Awards and 11 SHARP Awards to date.

On 30 April 2015, Boustead Projects listed on the SGX Mainboard. We were awarded the Singapore Corporate Governance Award in the Newly Listed Category at the Securities Investors Association (Singapore)'s 18th Investors' Choice Awards 2017. We are also listed on the MSCI World Micro Cap Index, FTSE Global Small Cap Index and FTSE ST Small Cap Index.

Boustead Projects is a 53%-owned subsidiary of Boustead Singapore Limited (SGX:F9D), a progressive global infrastructure-related engineering services, geo-spatial technology and healthcare group which is separately listed on the SGX Mainboard.

Visit us at www.bousteadprojects.com.

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