



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

82 Ubi Avenue 4
#07-01 Edward Boustead Centre
Singapore 408832

BOUSTEAD PROJECTS FINANCIAL RESULTS ANNOUNCEMENT FOR 3Q FY2019 ENDED 31 DECEMBER 2018

	3Q FY2019	3Q FY2018	Change	9M FY2019	9M FY2018	Change
Revenue	S\$81.3m	S\$47.9m	+70%	S\$190.6m	S\$143.7m	+33%
Gross profit	S\$18.6m	S\$17.4m	+7%	S\$53.7m	S\$50.5m	+6%
Profit before income tax ("PBT")	S\$9.2m	S\$9.6m	-5%	*S\$31.5m	S\$28.5m	+10%
Total profit	S\$6.8m	S\$8.0m	-15%	S\$24.9m	S\$23.3m	+7%
Profit attributable to equity holders of the Company	S\$6.8m	S\$8.0m	-15%	S\$24.9m	S\$23.3m	+7%
- Earnings per share	2.2cts	2.5cts	-12%	8.0cts	7.3cts	+10%
- Net asset value per share				88.7cts	76.7cts	+16%

Notes:

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

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.

3Q/9M FY2019 Highlights:

- For 3Q FY2019, total revenue was 70% higher year-on-year at S\$81.3 million, due to higher design-and-build revenue, partially offset by lower real estate revenue (previously known as leasing) with the lease expiry of 85 Tuas South Avenue 1 in January 2018. However, total profit was 15% lower year-on-year at S\$6.8 million, mainly due to slightly lower gross margins on ongoing projects, lower cost savings from projects completed previously and increase in the elimination of the BP Group's share of unrealised construction and project management profits mainly from joint venture projects. In addition, the newly completed ALICE@Mediapolis, where leasing is still in progress, has started to incur depreciation expenses.
- For 9M FY2019, total revenue was 33% higher year-on-year at S\$190.6 million, due to higher design-and-build revenue, partially offset by lower real estate revenue with the lease expiry of 85 Tuas South Avenue 1 in January 2018. Total profit was 7% higher year-on-year at S\$24.9 million, partly assisted by a gain from the sale of 25 Changi North Rise but partially offset by the increase in elimination of the BP Group's share of unrealised construction and project management profits mainly from joint venture projects. Profit was also affected by the absence of a one-off gain from the BP Group's share of results from associated company, THAB Development Sdn Bhd ("THAB"), recorded in 9M FY2018.
- The current order book backlog stands at a record quarterly-ending level of S\$679 million, with a record S\$615 million worth of contracts secured since the start of FY2019. As a result of the recent success in winning major projects like the JTC Multi-Storey Recycling Facility, Razer Southeast Asia Headquarters and the Surbana Jurong Campus, the BP Group has reinforced its position as a market leader in the industrial real estate sector. The BP Group has successfully transformed its design-and-build capabilities with Industry 4.0 transformation standards and market-leading methodologies and will continue to invest in such advanced technologies in the future. These initiatives are visibly advancing the BP Group's real estate partnership credentials with industry leaders and furthering its competitive edge.

Singapore, 12 February 2019 – 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 third quarter and nine months ended 31 December 2018 (“3Q FY2019” and “9M FY2019” respectively).

For 3Q FY2019, total revenue was 70% higher year-on-year at S\$81.3 million, due to higher design-and-build revenue, partially offset by lower real estate revenue (previously known as leasing) with the lease expiry of 85 Tuas South Avenue 1 in January 2018. Design-and-build revenue was 85% higher year-on-year at S\$73.8 million, with the healthy order book backlog carried forward at the end of FY2018 contributing to stronger revenue conversion during 3Q FY2019. In particular, there were two sizeable projects that provided significant revenue for 3Q FY2019. Real estate revenue was 6% 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 development management fees from the Boustead Development Partnership.

Total profit for 3Q FY2019 was 15% lower year-on-year at S\$6.8 million, mainly due to slightly lower gross margins on ongoing projects, lower cost savings from projects completed previously and increase in the elimination of the BP Group’s share of unrealised construction and project management profits mainly from joint venture projects. Additionally, the newly completed ALICE@Mediapolis, where leasing is still in progress, has started to incur depreciation expenses.

For 9M FY2019, total revenue was 33% higher year-on-year at S\$190.6 million, due to higher design-and-build revenue, partially offset by lower real estate revenue with the lease expiry of 85 Tuas South Avenue 1 in January 2018. Due to the similar reasons mentioned for 3Q FY2019, design-and-build revenue for 9M FY2019 was 40% higher year-on-year at S\$168.2 million, while real estate revenue for 9M FY2019 was 5% lower year-on-year at S\$22.4 million.

Total profit for 9M FY2019 was 7% higher year-on-year at S\$24.9 million, partly assisted by a gain from the sale of 25 Changi North Rise but partially offset by the increase in elimination of the BP Group’s share of unrealised construction and project management profits mainly from joint venture projects. Profit was also affected by the absence of a one-off gain from the BP Group’s share of results from associated company, THAB recorded in 9M FY2018.

Mr Thomas Chu, Managing Director of Boustead Projects commented, “We continued to deliver a healthy set of results for 3Q FY2019 while achieving significant milestone contract awards on several business development fronts. In December 2018, we won a S\$242 million contract, our largest-ever contract and first public sector construction project to build the JTC Multi-Storey Recycling Facility. We followed this up in January 2019 by securing our largest private sector contract worth over S\$200 million to build the sprawling landmark Surbana Jurong Campus designed by world-renowned, award-winning architect Mr Moshe Safdie, which will be one of the rare Super Low Energy Buildings in Singapore. The two extremely sizeable contracts with JTC and Surbana are expected to significantly contribute to our revenue and profitability in FY2020 and FY2021. On the real estate front, we secured two joint development contracts for the Razer Southeast Asia Headquarters at one-north and an aerospace facility at the Seletar Aerospace Park, and successfully completed the Boustead Development Partnership’s ALICE@Mediapolis, with approximately 60% of the property’s net leasable area either committed or under advanced negotiations. ALICE@Mediapolis is expected to contribute to our future profitability once full leasing and asset stabilization has been achieved.”

Mr Chu added, “As a result of our recent success in winning these major projects, we have reinforced our position as a market leader in the industrial real estate sector. We have invested substantially in advanced capabilities with Industry 4.0 transformation standards

and market-leading methodologies including 7D building information modelling, virtual design and construction, design for manufacturing and assembly, augmented and virtual reality, drone technology and integrated digital delivery. These initiatives are visibly advancing our real estate partnership credentials with industry leaders and furthering our competitive edge. We look forward to keeping the market updated on our business development efforts as we continue to help our clients to transform their business capabilities with Industry 4.0-ready centres of excellence.”

At the end of 9M FY2019, the BP Group’s financial position remained healthy with cash and cash equivalents of S\$89.3 million and total equity of S\$274.8 million. Net asset value per share climbed to 88.7 cents at the end of 9M FY2019, from 79.0 cents at the end of FY2018. However, the BP Group moved into a net debt position (cash and cash equivalents less total borrowings) of S\$26.3 million at the end of 9M FY2018, after making full payment for the Braddell Road land purchase.

The BP Group’s current order book backlog (unrecognised project revenue remaining at the end of 3Q FY2019 plus the total value of new orders secured since then) stands at a record quarterly-ending level of S\$679 million (3Q FY2018: S\$267 million), with a record S\$615 million worth of contracts secured since the start of FY2019.

-- 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 Singapore's Building & Construction Authority ("BCA") for Grade CW01-A1 and General Builder Class 1 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 nine 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 WSH 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 and FTSE ST Fledgling 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.

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.

Contact Information

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

Mr Winson Teo
Boustead Projects Limited
Manager
Corporate Marketing & Investor Relations

Main: +65 6748 3945
DID: +65 6709 8109
Fax: +65 6748 9250
E-mail: winson.teo@boustead.sg